

From: Ricker, Monique T. EOP/USTR Monique_T_Ricker@ustr.eop.gov 
Subject: RE: FOIA Request (USTR-18-0737)
Date: December 18, 2018 at 12:14 PM
To: American Oversight FOIA foia@americanoversight.org
Cc: FN-USTR-FOIA FN-USTR-FOIA@ustr.eop.gov



Mr. McGrath,

This email is the final response of the Office of the United States Trade Representative (USTR) to Freedom of Information Act (FOIA) No. FY19-09 submitted on October 23, 2018 requesting all email communications between USTR political appointees in the immediate Offices of the USTR, Congressional Affairs, and the Chief Agricultural Negotiator and several named entities/individuals containing the search terms tarif*, tarrif*, exempt*, or exclu*. The timeframe for the search was between January 20, 2017 and October 25, 2018, the date the search was conducted.

After a search of our files utilizing eDiscovery software, we have located 61 pages which we are withholding in part. Because of the size of the file, we have uploaded it to a shared drive accessible via the following link:

<https://drive.max.gov/share/73a97fdb17e29db0>

Portions of the documents have been redacted because we reasonably foresee that disclosure would harm an interest protected by FOIA Exemptions 4 or 6, which protects personal information such as non-USG contact information the release of which would not shed light on the performance of the agency's statutory duties. Exemption 4 protects confidential trade secrets and commercial or financial information that is voluntarily furnished to the government. We have determined that the Can Manufacturers Institute (CMI) voluntarily submitted information to the government. Information that was voluntarily submitted is considered confidential if it is of a kind that would customarily not be released to the public by the person from whom it was obtained. In this instance, we redacted names of companies CMI determined should not be disclosed for antitrust reasons. Because the submitter does not customarily release competitive analysis to the public and it is not available to the public from other sources, the information is confidential for the purposes of Exemption 4 and we have withheld it.

This constitutes a complete response to your request. You may contact me or my colleague Melissa Keppel by email at FOIA@ustr.eop.gov or 202-395-3419 for any further assistance and to discuss any aspect of your request. Additionally, you may contact the Office of Government Information Services (OGIS) at the National Archives and Records Administration to inquire about the FOIA mediation services they offer. The contact information for OGIS is as follows: Office of Government Information Services, National Archives and Records Administration, 8601 Adelphi Road-OGIS, College Park, Maryland 20740-6001, e-mail at ogis@nara.gov; telephone at 202-741-5770; toll free at 1-877-684-6448; or facsimile at 202-741-5769.

If you are not satisfied with the response to this request, you may also administratively appeal by writing to: FOIA Office, GSD/RDF; ATTN: Janice Kaye, Anacostia Naval Annex, Bldg. 410/Door 123, 250 Murray Lane, S.W., Washington, D.C. 20509.

Your appeal must be postmarked or electronically transmitted within 90 days of the date of the response to your request. Both the letter and the envelope should be clearly marked "Freedom of Information Act Appeal" and should include a reference to the

~~marked~~ Freedom of Information Act Appeal and should include a reference to the FOIA Case File number listed above. Heightened security in force may delay mail delivery; therefore we suggest that you also email any such appeal to foia@ustr.eop.gov.

In the event you are dissatisfied with the results of any such appeal, judicial review will thereafter be available to you in the United States District Court for the judicial district in which you reside or have your principal place of business, or in the District of Columbia, where we searched for the records you requested.

Thank you,
Monique

Monique T. Ricker
FOIA Program Manager/Attorney

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE
WASHINGTON DC 20508

From: American Oversight FOIA <foia@americanoversight.org>
Sent: Tuesday, October 23, 2018 3:30 PM
To: FN-USTR-FOIA <FN-USTR-FOIA@ustr.eop.gov>
Subject: [EXTERNAL] FOIA Request (USTR-18-0737)

Dear FOIA Officer:

Please find pasted below and attached a request for records under the Freedom of Information Act.

Sincerely,

Clay M. Goode
Paralegal
American Oversight
foia@americanoversight.org
[@www.americanoversight.org](http://www.americanoversight.org) | @weareoversight

FOIA: USTR-18-0737

October 23, 2018

VIA ELECTRONIC MAIL

Janice A. Kaye, FOIA Officer

Office of the U.S. Trade Representative

Anacostia Naval Annex Building 410/Door 123
250 Murray Lane SW
Washington, DC 20509

FOIA@ustr.eop.gov

Re: Freedom of Information Act Request

Dear Freedom of Information Officer:

Pursuant to the Freedom of Information Act (FOIA), 5 U.S.C. § 552, and your agency's implementing regulations, American Oversight makes the following request for records.

President Trump since January 2018 has imposed a series of tariffs on various goods and countries. In late September 2018, Trump announced 10 percent tariffs on \$200 billion a year of Chinese goods, and Chinese officials quickly responded with tariffs on \$60 billion in American goods.[\[1\]](#) Press reporting suggests decisions regarding tariffs are being made in a haphazard fashion without following standard procedures of coordinating across government departments and agencies.

[\[2\]](#) In addition, sectors and trade groups are being taken by surprise by the escalatory trade tactics.[\[3\]](#)

American Oversight seeks the following records in an effort to shed light on the effect of the administration's trade policies on American manufacturing and employment, and to determine the influence of industry lobbyists on administration policies.

Requested Records

American Oversight requests that your agency produce the following within twenty business days:

All email communications (including emails, email attachments, calendar entries/invitations)— between the agency custodians specified below and any of the following entities, or individuals representing those entities, containing the search terms “tarif*”, “tarif*”, “exempt*”, or “exclu*”:

- i. Alliance of Automobile Manufacturers, including anyone with an email address ending in @autoalliance.org
- ii. Alliance for American Manufacturing, including anyone with an email address ending in @americanmanufacturing.org
- iii. Aluminum Association, including anyone with an email address ending in @aluminum.org
- iv. American Apparel and Footwear Association, including anyone with an email address ending in @aaaf.org

- iv. American Apparel and Footwear Association, including anyone with an email address ending in @aafglobal.org
 - v. American Association of Exporters and Importers, including anyone with an email address ending in @aaei.org
 - vi. American Bakers Association, including anyone with an email address ending in @americanbakers.org
 - vii. American Chemistry Council, including anyone with an email address ending in @americanchemistry.com
 - viii. American Farm Bureau Federation, including anyone with an email address ending in @fb.org
 - ix. American Federation of Labor and Congress of Industrial Organizations, including anyone with an email address ending in @aflcio.org
 - x. American Feed Industry Association, including anyone with an email address ending in @afia.org
 - xi. American Forest & Paper Association, including anyone with an email address ending in @afandpa.org
 - xii. American Gear Manufacturers Association, including anyone with an email address ending in @agma.org
 - xiii. American International Automobile Dealers Association, including anyone with an email address ending in @aiada.org
 - xiv. American Iron and Steel Institute, including anyone with an email address ending in @steel.org
 - xv. American Petroleum Institute, including anyone with an email address ending in @api.org
 - xvi. American Soybean Association, including anyone with an email address ending in @soygrowers.com
 - xvii. American Sugar Alliance, including anyone with an email address ending in @sugaralliance.org
 - xviii. American Trucking Association, including anyone with an email address ending in @trucking.org
 - xix. Associated General Contractors of America, including anyone with an email address ending in @agc.org
 - xx. Association of American Railroads, including anyone with an email address ending in @aar.org
 - xxi. Association of Equipment Manufacturers, including anyone with an email address ending in @aem.org
 - xxii. Association of Global Automakers, including anyone with an email address ending in @globalautomakers.org
 - xxiii. Auto Care Association, including anyone with an email address ending in @autocare.org
 - xxiv. Building and Construction Trades, including anyone with an email address ending in @nabtu.org
 - xxv. Business Roundtable, including anyone with an email address ending in @businessroundtable.org
- xxvi. Can Manufacturers Institute, including anyone with an email address ending in @cancontrol.com

- xxvi. Can Manufacturers Institute, including anyone with an email address ending in @cancentral.com
- xxvii. Coalition for GSP, including anyone with an email address ending in @tradepartnership.com
- xxviii. Coalition of American Metal Manufacturers and Users, including anyone with an email address ending in @tariffsaretaxes.org
- xxix. Computer & Communications Industry Association, including anyone with an email address ending in @ccianet.org
- xxx. Council for Responsible Nutrition, including anyone with an email address ending in @crnusa.org
- xxxi. Dairy Farmers of America, including anyone with an email address ending in @dfamilk.com
- xxxii. Distilled Spirits Council, including anyone with an email address ending in @distilledspirits.org
- xxxiii. Electronic Transactions Association, including anyone with an email address ending in @electran.org
- xxxiv. Energy Equipment and Infrastructure Alliance, including anyone with an email address ending in @eeia.org
- xxxv. Federation of American Hospitals, including anyone with an email address ending in @fah.org
- xxxvi. Footwear Distributors & Retailers of America, including anyone with an email address ending in @fdra.org
- xxxvii. Freedom Partners Chamber of Commerce, including anyone with an email address ending in @freedompartners.org
- xxxviii. Grocery Manufacturers Association, including anyone with an email address ending in @gmaonline.org
- xxxix. Global Cold Chain Alliance, including anyone with an email address ending in @gcc.a.org
- xl. Household & Commercial Products Association, including anyone with an email address ending in @thehcpa.org
- xli. Independent Lubricant Manufacturers Association, including anyone with an email address ending in @ilma.org
- xlii. International Wood Products Association, including anyone with an email address ending in @iwpawood.org
- xliii. Internet Association, including anyone with an email address ending in @internetassociation.org
- xliv. International Dairy Foods Association, including anyone with an email address ending in @idfa.org
- xlv. Motor and Equipment Manufacturers Association, including anyone with an email address ending in @mem.a.org
- xlii. National Association of Chemical Distributors, including anyone with an email address ending in @nacd.com
- xlvii. National Association of Manufacturers, including anyone with an email address ending in @nam.org

- xlviii. National Beer Wholesalers Association, including anyone with an email address ending in @nbwa.org
- xlix. National Cattlemen's Beef Association, including anyone with an email address ending in @beefusa.org
 - I. National Chicken Council, including anyone with an email address ending in @nationalchickencouncil.org
 - ii. National Confectioners Association, including anyone with an email address ending in @candyusa.com
 - iii. National Corn Growers Association, including anyone with an email address ending in @ncga.com
 - lvi. National Cotton Council, including anyone with an email address ending in @cotton.org
- liv. National Federation of Independent Business, including anyone with an email address ending in @nfib.com
- lv. National Foreign Trade Council, including anyone with an email address ending in @nftc.org
- lvi. National Grocers Association, including anyone with an email address ending in @nationalgrocers.org
- lvii. National Marine Manufacturers Association, including anyone with an email address ending in @nmma.org
- lviii. National Milk Producers Federation, including anyone with an email address ending in @nmpf.org
- lix. National Oilseed Processors Association, including anyone with an email address ending in @nopa.org
- lx. National Pork Producers Council, including anyone with an email address ending in @nppc.org
- lxi. National Retail Federation, including anyone with an email address ending in @nrf.com
- lxii. National Sorghum Producers, including anyone with an email address ending in @sorghumgrowers.com
- lxiii. Organization for International Investment, including anyone with an email address ending in @ofii.org
- lxiv. Personal Care Products Council, including anyone with an email address ending in @personalcarecouncil.org
- lxv. Pet Food Institute, including anyone with an email address ending in @petfoodinstitute.org
- lxvi. Plastics Industry Association, including anyone with an email address ending in @plasticsindustry.org
- lxvii. Retail Industry Leaders Association, including anyone with an email address ending in @rila.org
- lxviii. SEMI, including anyone with an email address ending in @semi.org
- lxix. Software & Information Industry Association, including anyone with an email address ending in @sii.org

@siiainc.org

- Ixx. The Hardwood Federation, including anyone with an email address ending in @hardwoodfederation.com
- Ixi. The Toy Association, including anyone with an email address ending in @toyassociation.org
- Ixii. Transportation Intermediaries Association, including anyone with an email address ending in @tianet.org
- Ixiii. United Auto Workers, including anyone with an email address ending in @uaw.org
- Ixiv. U.S. Chamber of Commerce, including anyone with an email address ending in @uschamber.com
- Ixv. U.S. Council for International Business, including anyone with an email address ending in @uscib.org
- Ixvi. U.S. Fashion Industry Association, including anyone with an email address ending in @usfashionindustry.com
- Ixvii. U.S. Hide, Skin and Leather Association, including anyone with an email address ending in @ushsla.org
- Ixviii. Vinyl Institute, including anyone with an email address ending in @vinylinfo.org
- Ixix. WineAmerica, including anyone with an email address ending in @wineamerica.org
- Ixx. Wine & Spirits Wholesalers of America, including anyone with an email address ending in @wswa.org

Specified Agency Custodians:

- a. Any political appointees* in the immediate Office of the Trade Representative, including:
 - i. United States Trade Representative, and anyone acting on his behalf
 - ii. Deputy United States Trade Representatives, and anyone acting on their behalf
 - iii. Counselor to the United States Trade Representative
 - iv. All Chiefs of Staff and Deputy Chiefs of Staff
- b. Any political appointees* in the immediate Office of Congressional Affairs, including:
 - i. Assistant United States Trade Representative for Congressional Affairs, and anyone acting on his behalf
 - ii. Deputy Assistant United States Trade Representative for Congressional Affairs, and anyone acting on his behalf
 - iii. Director for Congressional Affairs, and anyone acting on his behalf
- c. Any political appointees* in the immediate Office of the Chief Agriculture Negotiator, including:

i. Chief Agricultural Negotiator, and anyone acting on his behalf

**“Political appointee” should be understood as any person who is a Presidential Appointee with Senate Confirmation (PAS), a Presidential Appointee (PA), a non-career SES, any Schedule C employees, or any persons hired under Temporary Non-Career SES Appointments, Limited Term SES Appointments, or Temporary Transitional Schedule C Appointments.

Please provide all records from January 20, 2017, through the date the search is conducted.

In addition to the records requested above, American Oversight also requests records describing the processing of this request, including records sufficient to identify search terms used and locations and custodians searched and any tracking sheets used to track the processing of this request. If your agency uses FOIA questionnaires or certifications completed by individual custodians or components to determine whether they possess responsive materials or to describe how they conducted searches, we also request any such records prepared in connection with the processing of this request.

American Oversight seeks all responsive records regardless of format, medium, or physical characteristics. In conducting your search, please understand the terms “record,” “document,” and “information” in their broadest sense, to include any written, typed, recorded, graphic, printed, or audio material of any kind. We seek records of any kind, including electronic records, audiotapes, videotapes, and photographs, as well as letters, emails, facsimiles, telephone messages, voice mail messages and transcripts, notes, or minutes of any meetings, telephone conversations or discussions. Our request includes any attachments to these records. **No category of material should be omitted from search, collection, and production.**

Please search all records regarding agency business. **You may not exclude searches of files or emails in the personal custody of your officials, such as personal email accounts. Records of official business conducted using unofficial systems or stored outside of official files is subject to the Federal Records Act and FOIA.[\[4\]](#) It is not adequate to rely on policies and procedures that require officials to move such information to official systems within a certain period of time; American Oversight has a right to records contained in those files even if material has not yet been moved to official systems or if officials have, through negligence or willfulness, failed to meet their obligations.[\[5\]](#)**

In addition, please note that in conducting a “reasonable search” as required by law, you must employ the most up-to-date technologies and tools available, in addition to searches by individual custodians likely to have responsive information. Recent technology may have rendered your agency’s prior FOIA practices unreasonable. **In light of the government-wide requirements to manage information electronically by the end of 2016, it is no longer reasonable to rely exclusively on custodian-driven searches.[\[6\]](#) Furthermore, agencies that have adopted the National Archives and Records Administration (NARA) Capstone program, or similar policies, now maintain emails in a form that is reasonably likely to be more complete than individual custodians’ files.** For example, a custodian may have deleted a responsive email from his or her email program, but your agency’s archiving tools would capture that email under Capstone. Accordingly, American Oversight insists that your agency use the most up-to-date technologies to search for responsive information and take steps to ensure that the most complete repositories of information are searched. American Oversight is available to work with you to craft appropriate search terms. **However, custodian searches are still required; agencies may not have direct access to files stored in .PST files, outside of network drives, in paper format, or in personal email accounts.**

Under the FOIA Improvement Act of 2016, agencies must adopt a presumption of disclosure, withholding information “only if . . . disclosure would harm an interest protected by an exemption” or “disclosure is prohibited by law.”^[7] If it is your position that any portion of the requested records is exempt from disclosure, American Oversight requests that you provide an index of those documents as required under *Vaughn v. Rosen*, 484 F.2d 820 (D.C. Cir. 1973), *cert. denied*, 415 U.S. 977 (1974). As you are aware, a *Vaughn* index must describe each document claimed as exempt with sufficient specificity “to permit a reasoned judgment as to whether the material is actually exempt under FOIA.”^[8] Moreover, the *Vaughn* index “must describe *each* document or portion thereof withheld, and for *each* withholding it must discuss the consequences of disclosing the sought-after information.”^[9] Further, “the withholding agency must supply ‘a relatively detailed justification, specifically identifying the reasons why a particular exemption is relevant and correlating those claims with the particular part of a withheld document to which they apply.’”^[10]

In the event some portions of the requested records are properly exempt from disclosure, please disclose any reasonably segregable non-exempt portions of the requested records. If it is your position that a document contains non-exempt segments, but that those non-exempt segments are so dispersed throughout the document as to make segregation impossible, please state what portion of the document is non-exempt, and how the material is dispersed throughout the document.^[11] Claims of nonsegregability must be made with the same degree of detail as required for claims of exemptions in a *Vaughn* index. If a request is denied in whole, please state specifically that it is not reasonable to segregate portions of the record for release.

You should institute a preservation hold on information responsive to this request. American Oversight intends to pursue all legal avenues to enforce its right of access under FOIA, including litigation if necessary. Accordingly, you are on notice that litigation is reasonably foreseeable.

To ensure that this request is properly construed, that searches are conducted in an adequate but efficient manner, and that extraneous costs are not incurred, American Oversight welcomes an opportunity to discuss its request with you before you undertake your search or incur search or duplication costs. By working together at the outset, American Oversight hopes to decrease the likelihood of costly and time-consuming litigation in the future.

Where possible, please provide responsive material in electronic format by email or in PDF or TIF format on a USB drive. Please send any responsive material being sent by mail to American Oversight, 1030 15th Street NW, Suite B255, Washington, DC 20005. If it will accelerate release of responsive records to American Oversight, please also provide responsive material on a rolling basis.

Fee Waiver Request

In accordance with 5 U.S.C. § 552(a)(4)(A)(iii) and your agency’s implementing regulations, American Oversight requests a waiver of fees associated with processing this request for records. The subject of this request concerns the operations of the federal government, and the disclosures will likely contribute to public understanding of those operations. Moreover, the request is primarily and fundamentally for non-commercial purposes.

American Oversight requests a waiver of fees because disclosure of the requested information is in the public interest because it is likely to contribute significantly to public understanding of activities of the government. The disclosure of the information sought under this request will document and reveal the operations of the federal government, including how the high-ranking officials who carry out U.S. trade policy are influenced by private companies and their lobbyists, as other public records have shown has occurred in some circumstances.^[12] The disclosure of the records requested here will also

shed light on the federal government's approach to trade policy in an environment where U.S. firms are facing retaliatory tariffs that may cause American job losses.^[13] Due to this administration's aggressive trade policy actions, these topics have received extensive media coverage and public interest.^[14] And, as described below, American Oversight has the intention and ability to disseminate the records it received to a broad audience.

This request is primarily and fundamentally not for commercial purposes, but rather the primary interest is in public disclosure of responsive records. As a 501(c)(3) nonprofit, American Oversight does not have a commercial purpose and the release of the information requested is not in American Oversight's financial interest. American Oversight's mission is to promote transparency in government, to educate the public about government activities, and to ensure the accountability of government officials. American Oversight uses the information gathered, and its analysis of it, to educate the public through reports, press releases, or other media. American Oversight also makes materials it gathers available on its public website and promotes their availability on social media platforms, such as Facebook and Twitter.^[15] American Oversight has demonstrated its commitment to the public disclosure of documents and creation of editorial content. For example, after receiving records regarding an ethics waiver received by a senior DOJ attorney,^[16] American Oversight promptly posted the records to its website and published an analysis of what the records reflected about DOJ's process for ethics waivers.^[17] As another example, American Oversight has a project called "Audit the Wall," where the organization is gathering and analyzing information and commenting on public releases of information related to the administration's proposed construction of a barrier along the U.S.-Mexico border.^[18]

Accordingly, American Oversight qualifies for a fee waiver.

Conclusion

We share a common mission to promote transparency in government. American Oversight looks forward to working with your agency on this request. If you do not understand any part of this request, have any questions, or foresee any problems in fully releasing the requested records, please contact Dan McGrath at foia@americanoversight.org or (202) 897-4213. Also, if American Oversight's request for a fee waiver is not granted in full, please contact us immediately upon making such a determination.

A handwritten signature in blue ink, appearing to read "Austin Emiss". The signature is fluid and cursive, with a long horizontal line extending from the left side.

Sincerely,



Austin R. Evers

Executive Director

American Oversight

[1] Keith Bradsher, *China Once Looked Tough on Trade. Now Its Options Are Dwindling*, N.Y. TIMES, Sept. 18, 2018, ><https://www.nytimes.com/2018/09/18/business/china-trade-war-retaliate.html?action=click&module=Top%20Stories&pgtype=Homepage<>

[2] Bob Woodward, *Fear: Trump in the White House* 159-161 (1st ed. 2018)

[3] Khorri Atkinson, *What They're Saying: Local Industries React to Trump's Trade War*, Axios (July 8 2018), ><https://wwwaxios.com/local-industries-react-trump-trade-war-fishing-seed-agriculture-daily-ad04a26d-448f-4bbd-92ec-2ae06ce3a713.html<>

[4] See *Competitive Enter. Inst. v. Office of Sci. & Tech. Policy*, 827 F.3d 145, 149–50 (D.C. Cir. 2016); cf. *Judicial Watch, Inc. v. Kerry*, 844 F.3d 952, 955–56 (D.C. Cir. 2016).

[5] See *Competitive Enter. Inst. v. Office of Sci. & Tech. Policy*, No. 14-cv-765, slip op. at 8 (D.D.C. Dec. 12, 2016) (“The Government argues that because the agency had a policy requiring [the official] to forward all of his emails from his [personal] account to his business email, the [personal] account only contains duplicate agency records at best. Therefore, the Government claims that any hypothetical deletion of the [personal account] emails would still leave a copy of those records intact in [the official’s] work email. However, policies are rarely

emails would still leave a copy of those records intact in [the official's] work email. However, policies are rarely followed to perfection by anyone. At this stage of the case, the Court cannot assume that each and every work-related email in the [personal] account was duplicated in [the official's] work email account." (citations omitted).

[6] Presidential Memorandum—Managing Government Records, 76 Fed. Reg. 75,423 (Nov. 28, 2011), [\[>https://obamawhitehouse.archives.gov/the-press-office/2011/11/28/presidential-memorandum-managing-government-records\]](https://obamawhitehouse.archives.gov/the-press-office/2011/11/28/presidential-memorandum-managing-government-records); Office of Mgmt. & Budget, Exec. Office of the President, Memorandum for the Heads of Executive Departments & Independent Agencies, "Managing Government Records Directive," M-12-18 (Aug. 24, 2012), [\[>https://www.archives.gov/files/records-mgmt/m-12-18.pdf\]](https://www.archives.gov/files/records-mgmt/m-12-18.pdf).

[7] FOIA Improvement Act of 2016 § 2 (Pub. L. No. 114–185).

[8] *Founding Church of Scientology v. Bell*, 603 F.2d 945, 949 (D.C. Cir. 1979).

[9] *King v. U.S. Dep't of Justice*, 830 F.2d 210, 223–24 (D.C. Cir. 1987) (emphasis in original).

[10] *Id.* at 224 (citing *Mead Data Central, Inc. v. U.S. Dep't of the Air Force*, 566 F.2d 242, 251 (D.C. Cir. 1977)).

[11] *Mead Data Central*, 566 F.2d at 261.

[12] Cara Lombardo, *Singled Out by Trump, Harley Davidson Opposed Higher Tariffs*, THE SEATTLE TIMES (Mar. 1, 2017, 4:15 PM), [\[>https://www.seattletimes.com/business/harley-davidson-may-differ-with-trump-on-trade-solution/\]](https://www.seattletimes.com/business/harley-davidson-may-differ-with-trump-on-trade-solution/).

[13] See, e.g., Bob Ryan, *Trump's Trade War Is Already Leading to Layoffs and Pain for American Businesses*, BUSINESS INSIDER (Aug. 9, 2018, 11:42 AM), [\[>https://www.businessinsider.com/trump-tariffs-trade-war-layoffs-business-losses-2018-8\]](https://www.businessinsider.com/trump-tariffs-trade-war-layoffs-business-losses-2018-8); Stuart Anderson, *Tariffs Are Costing Jobs: A Look At How Many*, FORBES (Sep. 24, 2018, 12:04 AM), [\[>https://www.forbes.com/sites/stuartanderson/2018/09/24/tariffs-are-costing-jobs-a-look-at-how-many/-23416c7b26ef\]](https://www.forbes.com/sites/stuartanderson/2018/09/24/tariffs-are-costing-jobs-a-look-at-how-many/-23416c7b26ef); Alan Rappeport, *Harley-Davidson, Blaming E.U. Tariffs, Will Move Some Production Out of U.S.*, N.Y. TIMES, June 25, 2018, [\[>https://www.nytimes.com/2018/06/25/business/harley-davidson-us-eu-tariffs.html\]](https://www.nytimes.com/2018/06/25/business/harley-davidson-us-eu-tariffs.html); Rajesh Kumar Singh, *Harley Warns of Hit from EU Reprisal Against Trump's Tariffs*, REUTERS (June 1, 2018, 1:33 PM), [\[>https://www.reuters.com/article/us-harley-davidson-tariffs/harley-warns-of-hit-from-eu-reprisal-against-trumps-tariffs-idUSKCN1IX5JF\]](https://www.reuters.com/article/us-harley-davidson-tariffs/harley-warns-of-hit-from-eu-reprisal-against-trumps-tariffs-idUSKCN1IX5JF).

[14] See, e.g., Kenneth Rapoza, *Here Are Some American Losers In Trump's China Trade War*, FORBES (July 13, 2018, 8:33 AM), [\[>https://www.forbes.com/sites/kenrapoza/2018/07/13/here-are-some-american-losers-in-trumps-china-trade-war/#4290d401f528\]](https://www.forbes.com/sites/kenrapoza/2018/07/13/here-are-some-american-losers-in-trumps-china-trade-war/#4290d401f528); Ana Swanson, *Trump's Trade War With China Pierces the Heart of Michigan*, N.Y. TIMES, July 12, 2018, [\[>https://www.nytimes.com/2018/07/12/us/politics/trade-war-china-michigan.html\]](https://www.nytimes.com/2018/07/12/us/politics/trade-war-china-michigan.html); Nicole Goodkind, *Trump Trade War Already Costing American Jobs as Harley-Davidson Announces Move Overseas*, NEWSWEEK (June 25, 2018, 12:08 PM), [\[>http://www.newsweek.com/tariffs-trump-motorcycles-harley-davidson-europe-china-994366\]](http://www.newsweek.com/tariffs-trump-motorcycles-harley-davidson-europe-china-994366).

[15] American Oversight currently has approximately 11,900 page likes on Facebook and 45,300 followers on Twitter. American Oversight, FACEBOOK, [\[>https://www.facebook.com/weareoversight/\]](https://www.facebook.com/weareoversight/) (last visited Oct. 19, 2018); American Oversight (@weareoversight), TWITTER, [\[>https://twitter.com/weareoversight\]](https://twitter.com/weareoversight) (last visited Oct. 19, 2018).

[16] DOJ Civil Division Response Noel Francisco Compliance, AMERICAN OVERSIGHT, [\[>https://www.americanoversight.org/document/doj-civil-division-response-noel-francisco-compliance\]](https://www.americanoversight.org/document/doj-civil-division-response-noel-francisco-compliance).

[17] Francisco & the Travel Ban: What We Learned from the DOJ Documents, AMERICAN OVERSIGHT, [\[>https://www.americanoversight.org/francisco-the-travel-ban-what-we-learned-from-the-doj-documents\]](https://www.americanoversight.org/francisco-the-travel-ban-what-we-learned-from-the-doj-documents).

[18] Audit the Wall, AMERICAN OVERSIGHT, [\[>https://www.americanoversight.org/investigation/audit-the-wall\]](https://www.americanoversight.org/investigation/audit-the-wall).

Tinplate Coalition Letter to President Trump-232 Investigation on Imported Steel

From: Sylvester Giustino <(b) (6) cancentral.com>

To: "Griffin, Payne P. EOP/USTR" <garrison.p.griffin@ustr.eop.gov>

Cc: Robert Budway <(b) (6) cancentral.com>

Date: Mon, 28 Aug 2017 11:07:57 -0400

Attachments : Canned Food Industry to POTUS Exclude TinPlate Steel From Tariff 082817.pdf
(368.08 kB)

Mr. Griffin,

Attached is a letter to President Trump from our 25 member Tinplate Coalition on the 232 Investigation into imported steel. We cced Ambassador Lighthizer on the letter. Thank you making sure the Ambassador reads our letter. We look forward to working with him and President Trump on finding solutions that protect American workers. We would also welcome the opportunity to meet with him on this matter.

If you have any questions, please feel contact me. Thanks again for your assistance.

Best regards,
Syl

Sylvester A. Giustino
Director of Government Relations & Technical Affairs
Can Manufacturers Institute
Office: (b) (6)
Mobile: (b) (6)



August 28, 2017

The Honorable Donald J. Trump
President of the United States
The White House
1600 Pennsylvania Ave., NW
Washington, D.C. 20500

Re: Section 232 National Security Investigation of Imports of Tinplate Steel

Dear Mr. President:

We write to reiterate our request that the Department of Commerce exclude tinplate steel from tariffs or other trade restrictions in regards to the 232 investigation.

The canned food industry, which generates more than \$24 billion in total domestic economic activity, relies on a mix of domestic and imported tinplate steel to provide metal packaging for nutritious and safe food for all Americans. Domestic can manufacturers are dependent on tinplate steel imports to meet approximately 42% of U.S. canned food demand. U.S. steel tinplate manufacturers cannot meet domestic demand. If imported tinplate steel (classified under HTSUS subheadings 7210.12.0000, 7210.11.0000, 7212.10.0000, and 7210.50.0000) is subject to a tariff or import restrictions, the cost of manufacturing canned food will rise and thousands of good-paying American manufacturing jobs will be threatened. In an environment where canned food imports are already on the rise, particularly from China, this price increase would negatively impact consumption levels of domestic canned foods and create a price advantage for foreign imports.

Since tinplate steel makes up approximately 60% of the cost of a can, a tariff as low as 5% would result in increased can costs of approximately \$1 billion/year. Given the industry's thin margins, manufacturers cannot absorb this cost and will be forced to pass it on to consumers. Canned foods represent a "value" proposition to consumers by providing nutritionally equivalent food to fresh fruits and vegetables, but in a more convenient, shelf stable and more affordable package. If canned food manufacturers cannot maintain this "value" proposition for consumers, the industry will encounter a devastating hardship.

As domestic job creators, we want to work with you to build on your record of success bringing back confidence to the American economy. A tariff on imported tinplate steel would stifle growth and could mean the loss of manufacturing jobs for thousands of American workers and their families. Please consider the unintended consequences of implementing a tariff or other trade restrictions on tinplate steel.

Sincerely,


Tim Clarke
CEO Metal
Ardagh Group
Chicago, Illinois


Jim Peterson
Senior VP & COO Global Food
Ball Corporation
Broomfield, Colorado


Ferrier, Tom
Chief Executive Officer
Bush Brothers
Knoxville, Tennessee

Kenneth M. Roessler
President & CEO
BWAY Corporation
Oak Brook, Illinois

Trudi Hughes
Director of Government Affairs
**California League of Food
Processors**
Sacramento, California

Robert Budway
President
Can Manufacturers Institute
Washington, DC

Jim O'Rourke
Sr VP & Chief Procurement Officer
ConAgra Brands Inc.
Chicago, Illinois

Tim Donahue
President & CEO
Crown Holdings
Philadelphia, Pennsylvania

Allen Mize
Director of Agriculture & Technical
Services
Del Monte Foods
Walnut Creek, California

Albert Hoflack
President/CEO
Faribault Foods, Inc.
Minneapolis, Minnesota

Chad Geise
President
Furmano's
Northumberland, PA

Pamela G. Bailey
President & CEO
**Grocery Manufacturers
Association**
Washington, DC

Karl E. Hirzel
Director of Operations
Hirzel Canning Co.
Toledo, Ohio

Joe Yanda
VP of Operations
Lakeside Foods
Manitowoc, Wisconsin

Nick George
President
**Midwest Food Processors
Association**
Madison, Wisconsin

Louis Gotspoder
President
Morgan Foods
Austin, Indiana

Chuck Connor
President
**National Council of Farmer
Cooperatives**
Washington, DC

Craig Smith
Director, Government Affairs
**Northwest Food Processors
Association**
Portland, Oregon

Daniel Vincent
President & CEO
Pacific Coast Producers
Lodi, California

Steve Austin
Director of Government Affairs
Red Gold Foods
Elwood, Indiana

Paul Palmby
Executive VP & COO
Seneca Foods Corporation
Marion, New York

Susan L. Backus
Executive Secretary
**Shelf-Stable Food Processors
Association**
Washington, DC

Thomas Snyder
President
Silgan Containers
Woodland Hills, California

Tom Cortopassi
President
Stanislaus Food Products
Modesto, California

Allen Mize
President
Texas Food Processors Association
Rochelle, Illinois

cc: U.S. Secretary of Commerce Wilbur L. Ross, Jr.
U.S. Trade Representative Robert E. Lighthizer
National Economic Council Director Gary Cohn
National Trade Council Director Peter Navarro

RE: Opportunity for Action on China Aluminum Overcapacity & Need for 232 Exemptions

From: "Walters, Gregory M. EOP/USTR" <gregory.m.walters@ustr.eop.gov>
:

To: Heidi Brock <(b) (6) @aluminum.org>

"Greer, Jamieson L. EOP/USTR" <jamieson.l.greer@ustr.eop.gov>, "Griffin, Payne P. EOP/USTR" <garrison.p.griffin@ustr.eop.gov>, "Vaughn, Stephen P. EOP/USTR" <stephen.p.vaughn@ustr.eop.gov>, "Gerrish, Jeffrey D. EOP/USTR" <jeffrey.d.gerrish@ustr.eop.gov>, "Sanford, Jim C. EOP/USTR" <james_sanford@ustr.eop.gov>, "Motwane, Jai Y. EOP/USTR" <jai_motwane@ustr.eop.gov>, Lauren Wilk (b) @aluminum.org

Date: Fri, 27 Apr 2018 16:56:26 -0400

Thanks Heidi,

We appreciate the Aluminum Association's thoughts on this.

Best,

Greg

From: Heidi Brock <(b) (6) @aluminum.org>
Sent: Friday, April 27, 2018 4:49 PM
To: 'robert_lighthizer@ustr.eop.gov' <robert_lighthizer@ustr.eop.gov>
Cc: Greer, Jamieson L. EOP/USTR <Jamieson.L.Greer@ustr.eop.gov>; Griffin, Payne P. EOP/USTR <Garrison.P.Griffin@ustr.eop.gov>; Vaughn, Stephen P. EOP/USTR <Stephen.P.Vaughn@ustr.eop.gov>; Gerrish, Jeffrey D. EOP/USTR <Jeffrey.D.Gerrish@ustr.eop.gov>; Sanford, Jim C. EOP/USTR <James_Sanford@ustr.eop.gov>; Walters, Gregory M. EOP/USTR <Gregory.M.Walters@ustr.eop.gov>; Motwane, Jai Y. EOP/USTR <Jai_Motwane@ustr.eop.gov>; Lauren Wilk (b) @aluminum.org
Subject: [EXTERNAL] Opportunity for Action on China Aluminum Overcapacity & Need for 232 Exemptions

Ambassador Lighthizer –

Thank you for your personal leadership in working to ensure we have a strong and sustainable aluminum industry. With the United States at a major turning point in trade negotiations with China, members of the Aluminum Association – representing the full aluminum value chain in the United States – believe it is time for action on the persistent problem of Chinese aluminum overcapacity. Similarly,

focusing the 232 remedy on China by exempting our responsible trading partners from the aluminum tariffs would put pressure on the Chinese government to change its market-distorting behavior.

I hope you and your colleagues will take the opportunity during the approaching trade talks with China to discuss aluminum overcapacity. Attached is a background memo **with four proposed outcomes for a government-to-government negotiation** that would benefit the U.S. aluminum industry (as well as supporting data on China's unprecedented growth in aluminum production and capacity, and a snapshot of the significant results we have already seen from targeted trade enforcement actions with AD/CVD orders on aluminum foil from China). The U.S. aluminum industry is united in recognizing that China's trade-distorting behavior drives massive structural overcapacity in both primary aluminum production and downstream products, and we have been glad to see [policymakers acknowledging this issue](#) since the President announced his 232 remedy. The aluminum associations in the U.S., Canada, Mexico, Europe, Japan and Brazil recently [sent a letter to G20 leaders](#) urging a dialogue or negotiation on Chinese aluminum overcapacity. The industry stands ready to support either a bilateral or multilateral approach.

The Aluminum Association believes strongly that the 232 remedy should not disrupt the current trading relationship between the United States and critical trading partners that have been designated by the Commerce Department as market economies. Maintaining this continuity means that it is also critical the United States **refrain from quotas on aluminum imports** from these trading partners. As we approach the expiration of the temporary exemptions from the 232 remedy, I wanted to share with you the attached [letter](#) that I sent earlier this week to President Trump in support of permanent exemptions – without quotas – from the aluminum 232 remedy for our responsible trading partners. I also shared that message in an [Op-Ed yesterday](#).

The U.S. aluminum industry is a bright spot for manufacturing, with all indicators pointing to historic, record demand in 2017 and robust growth in the years ahead. In fact, direct aluminum industry jobs [have grown](#) 3.5% since 2013 despite global trade challenges and a significant drop in employment in primary aluminum smelting. A failure to address the systemic overcapacity in China – or to disrupting the supply chains that have fueled the investment and growth over the past year – would be a significant setback to the U.S. aluminum industry.

Please reach out if the Association team or our member companies can provide any additional data or input on this important issue.

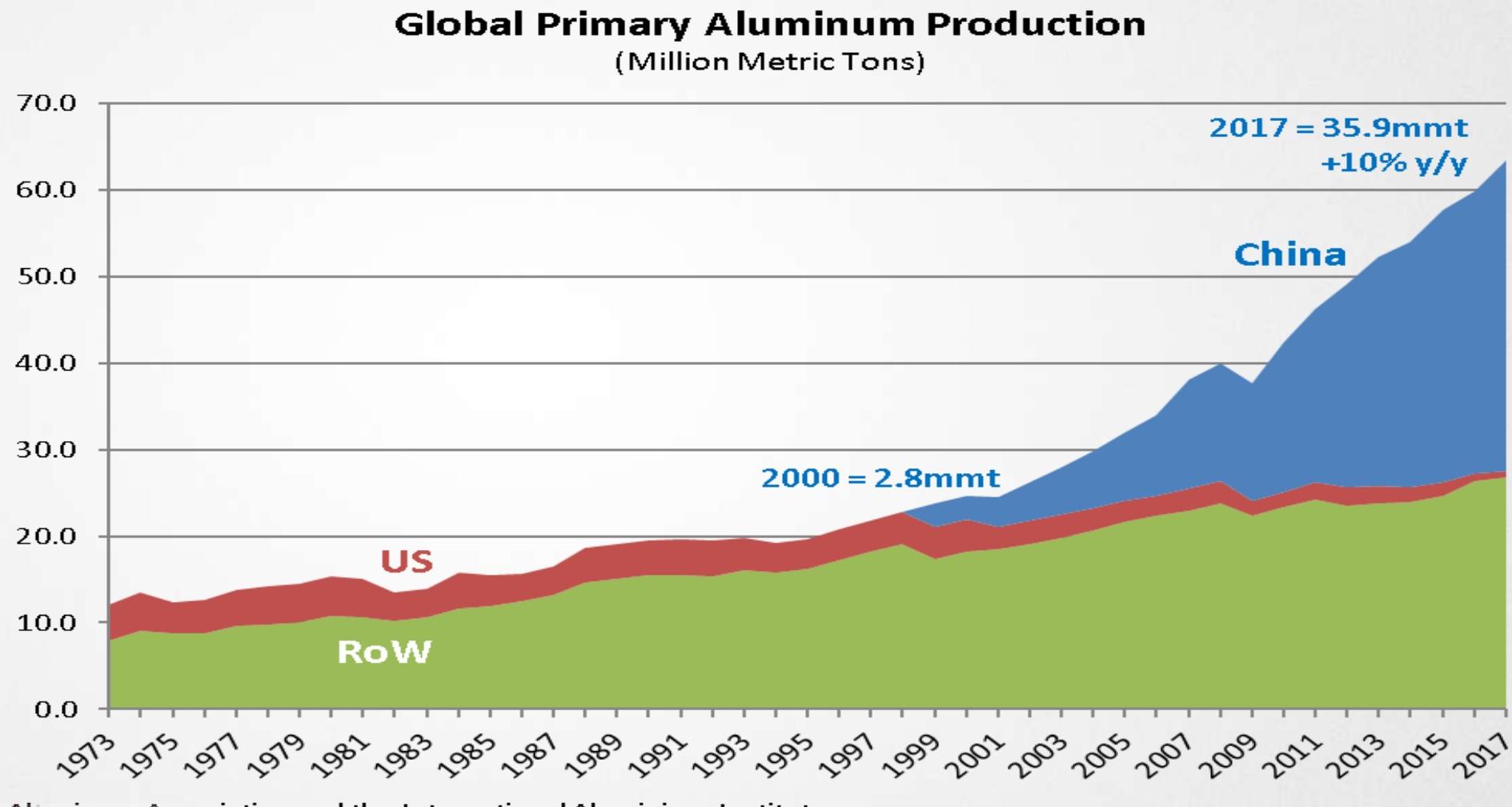
Best Regards,

Heidi Brock



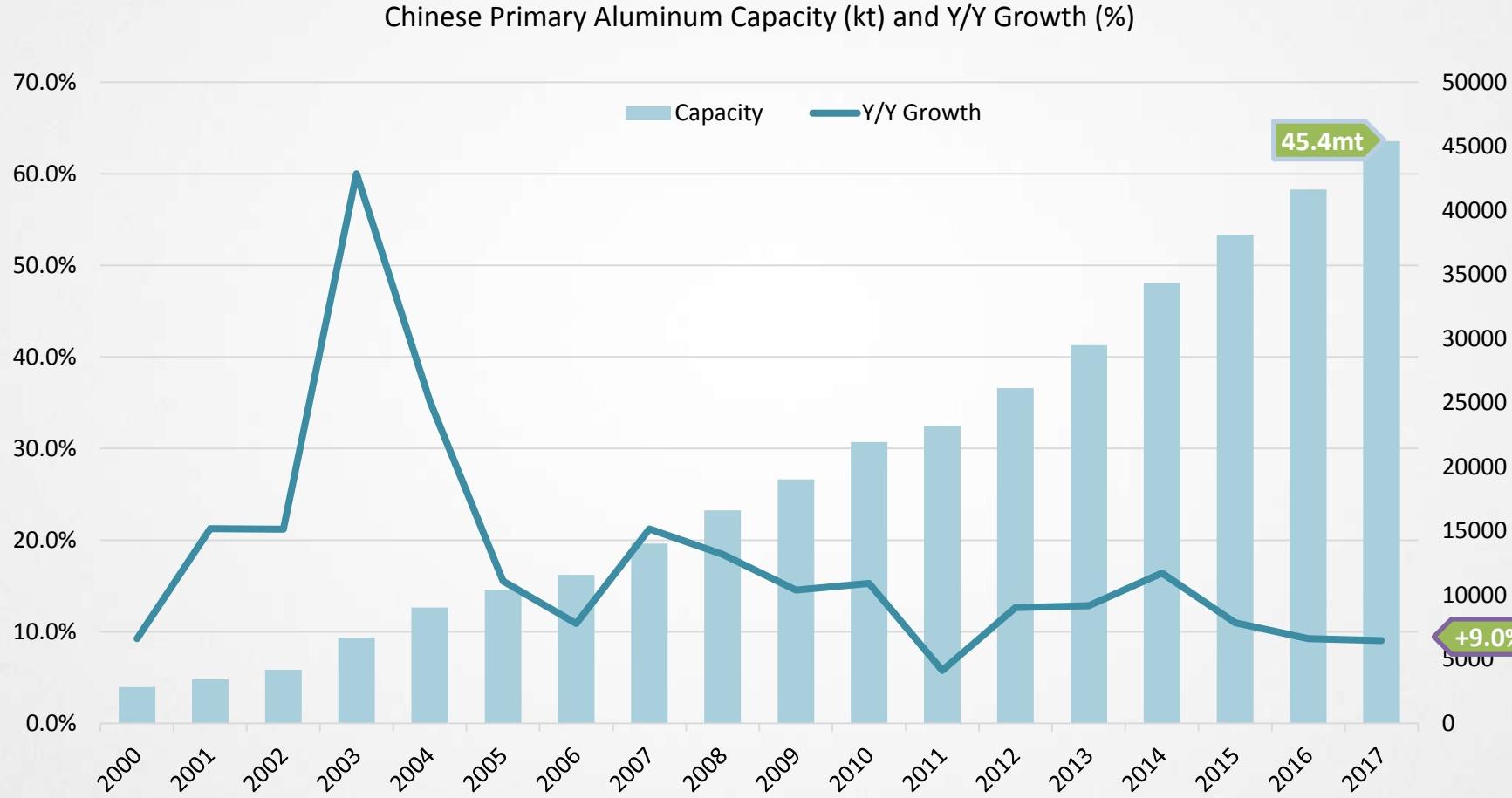
Heidi Brock
President & CEO
The Aluminum Association
1400 Crystal Drive, Suite 430
Arlington, VA 22202

CHINA'S UNPRECEDENTED GROWTH



Aluminum Association and the International Aluminum Institute

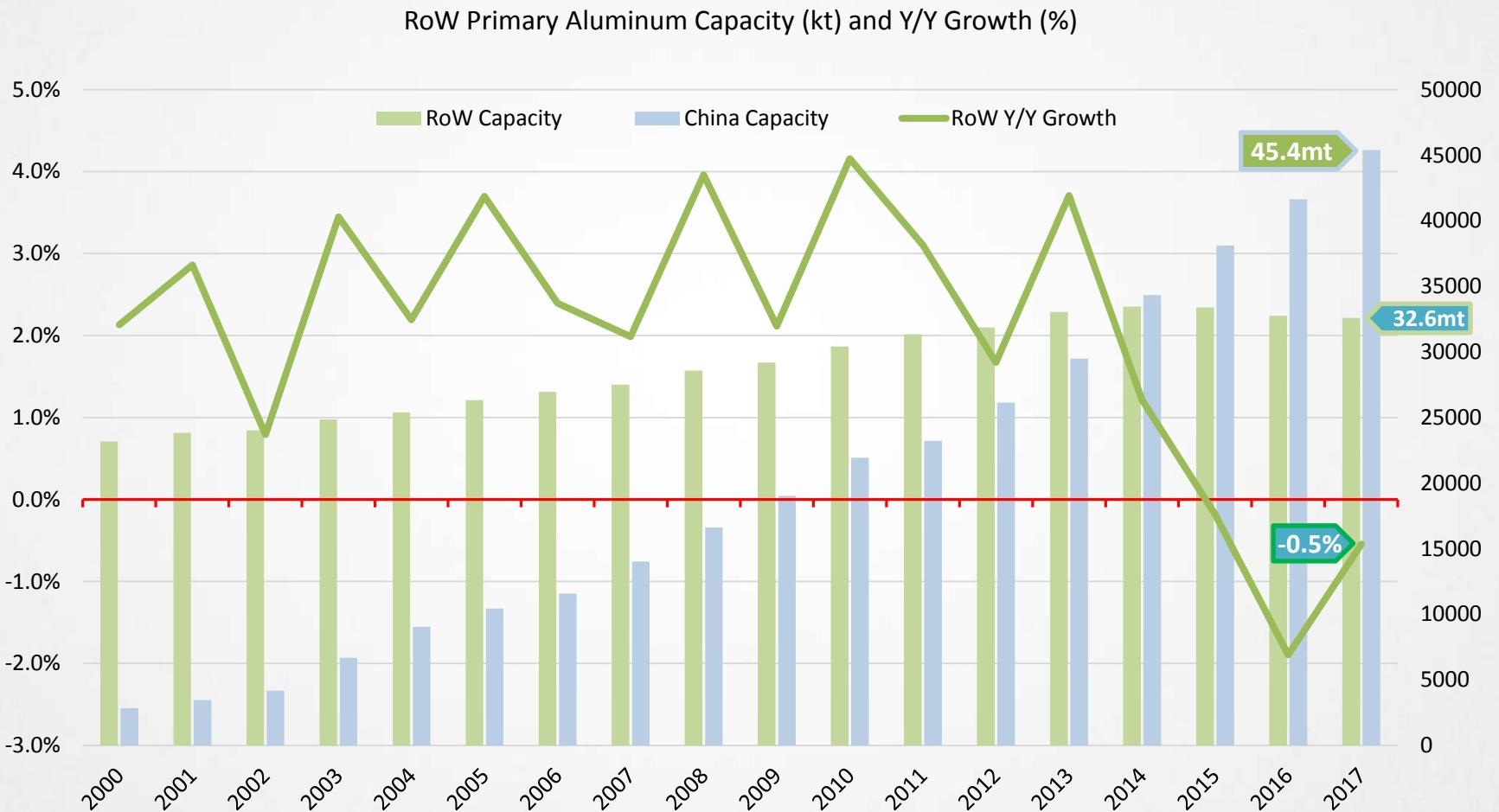
CONTINUED CAPACITY GROWTH IN CHINA



- In 2017, China's primary aluminum capacity reached 45.4 million tons.
- Growing an estimated 9.0% over the 2016 level.
- This trend has continued through Q1 2018 (+9% Q/Q)
- Over the last five years, China's capacity has grown 73.7%
- While production has only grown 63.7%.

Data: CRU

COMPARED TO CAPACITY GROWTH IN ROW

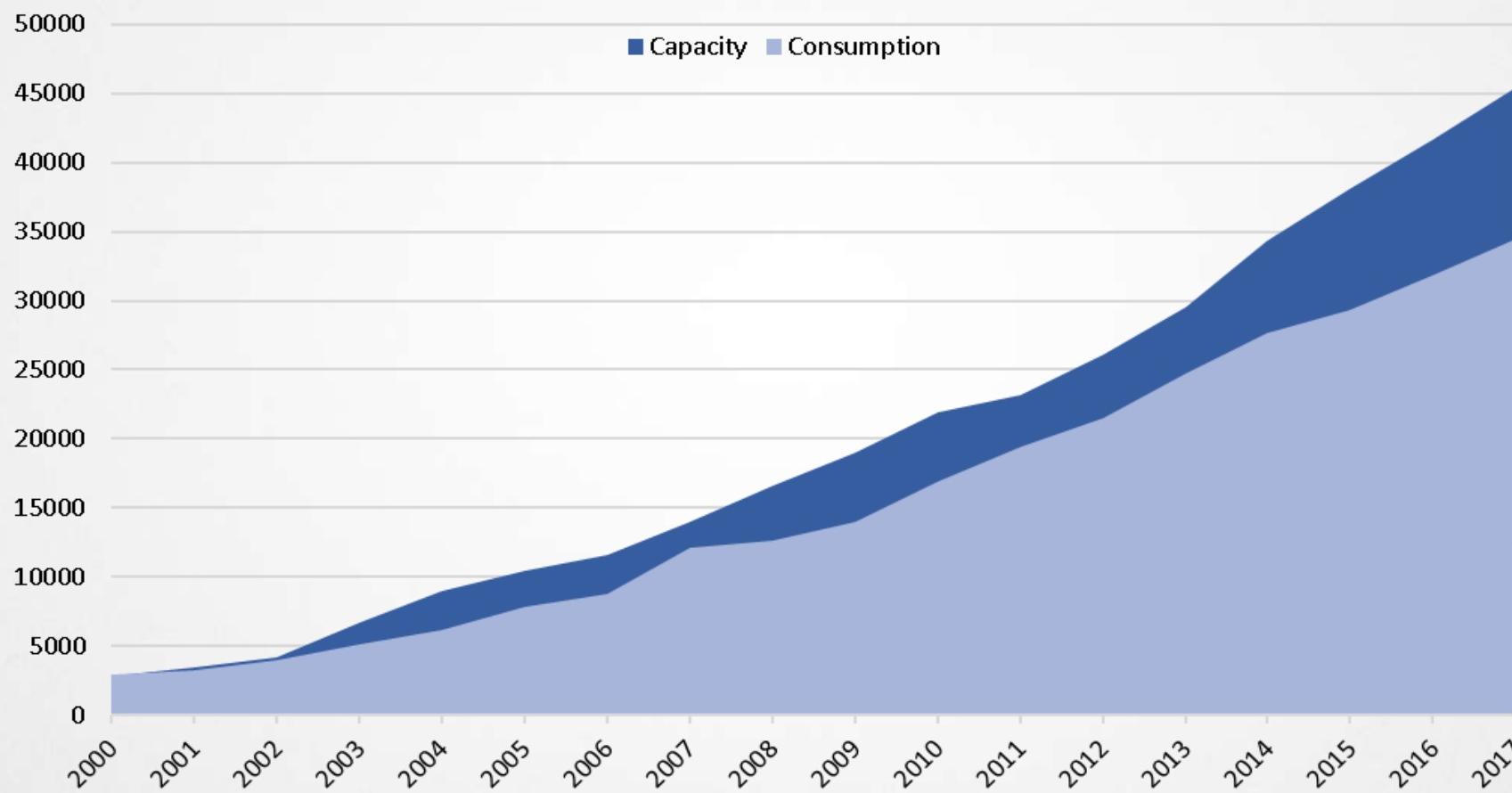


- In 2017, the Rest of the World's primary aluminum capacity reached 32.6 million tons.
- Falling roughly 0.5% y/y.
- Over the last five years, RoW capacity has grown 2.2%.
- While production has grown 5.7%.
- RoW capacity has grown 1% in Q1 2018 Q/Q.

Data: CRU

CONTINUED CAPACITY GROWTH IN CHINA

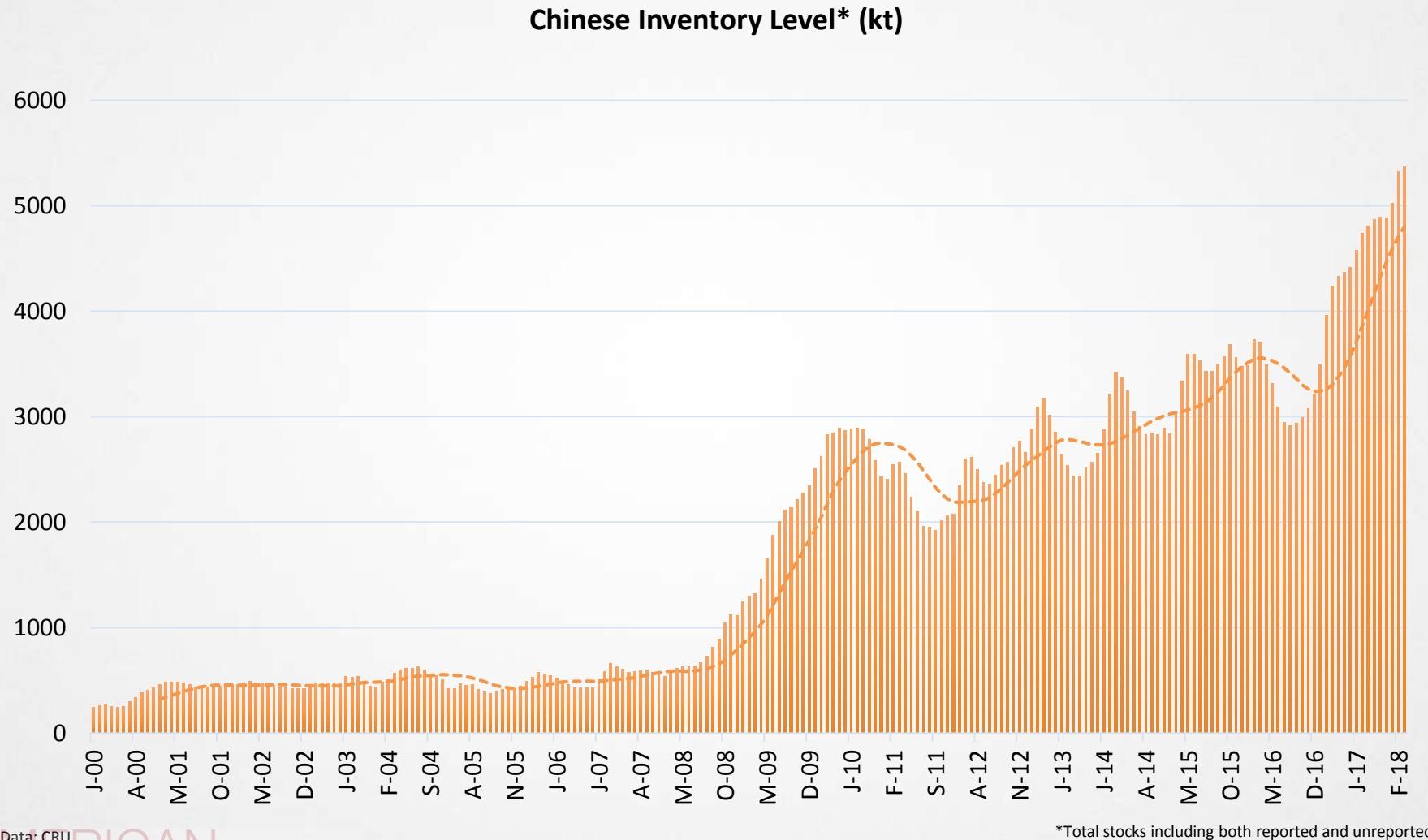
Chinese Primary Aluminum Consumption vs. Capacity (kt)



- Capacity continues to outpace consumption in China.
- Increased to 11mmt in 2017
- That's roughly 5.5x total U.S. capacity.
- Capacity in excess of consumption in 2017 was equivalent to roughly 34% of capacity in RoW.
- China's utilization rate ≈ 73% in Q1 2018.

Data: CRU

CHINESE INVENTORIES CONTINUE TO GROW



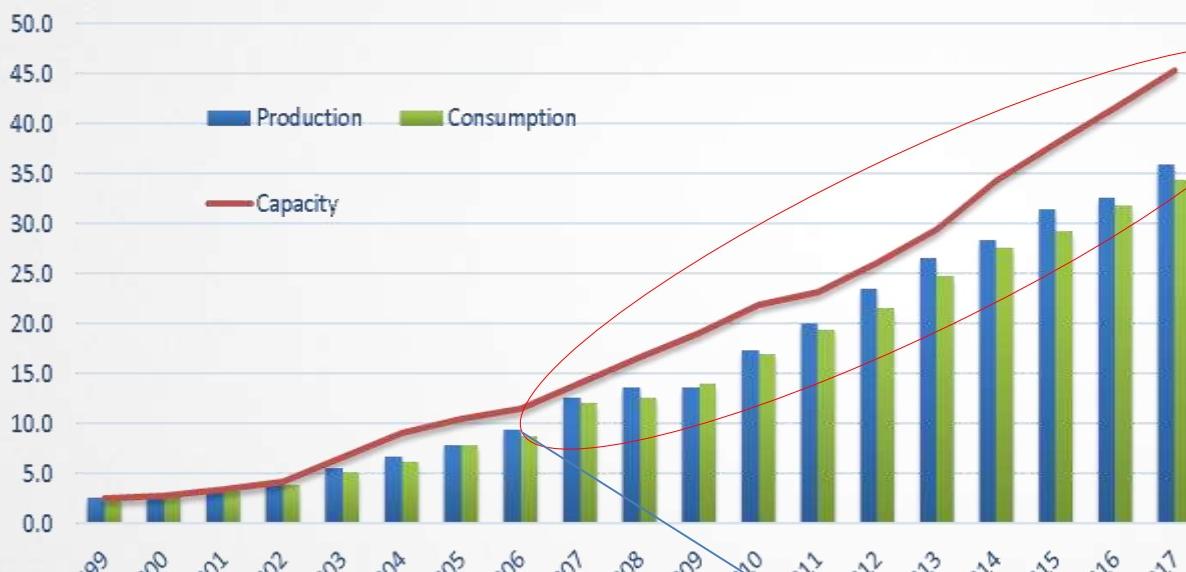
- With production growing, Chinese primary stocks* have reached a record level of nearly 5.4 million tons in March 2018.
- An increase of 26.6% Q/Q.
- RoW stocks are off 21.4% Q/Q.
- Chinese Stocks have increased in 18 of the last 19 months.
- Based consumption levels, Q1 2018 stocks = 56 days, up from 47 y/y.

CHINA'S OVERCAPACITY SITUATION

Chinese Excess Capacity Weighing on Global Market

Chinese Primary Aluminum Production, Capacity, & Consumption

(Million Metric Tons)

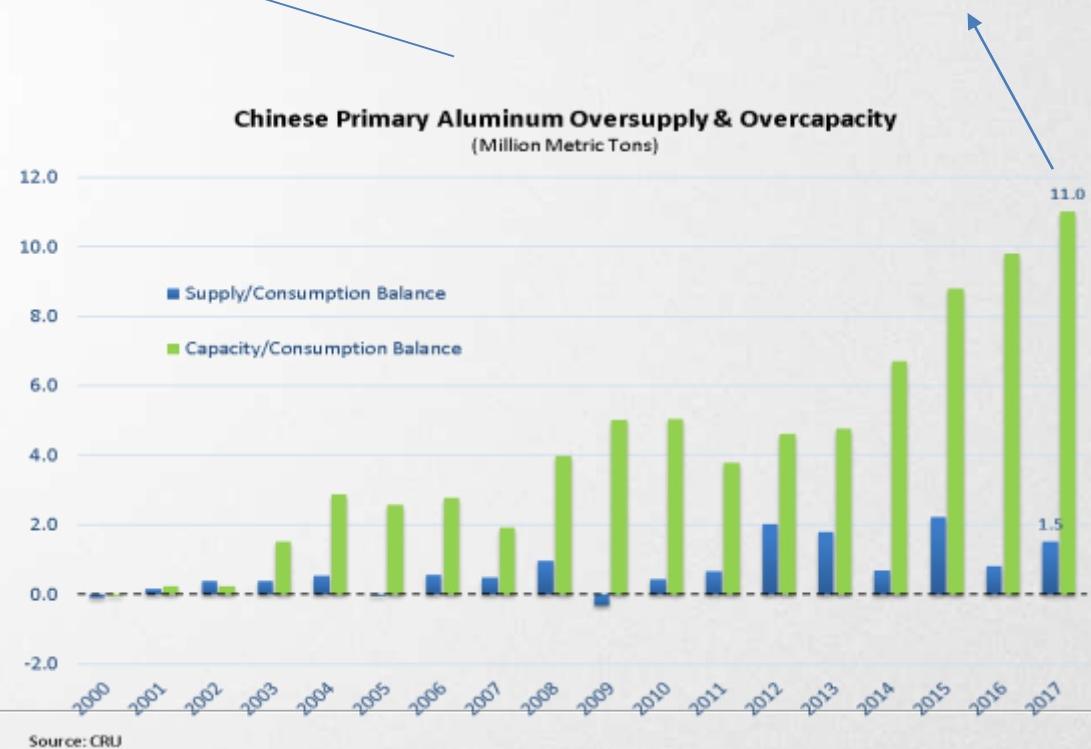


Source: International Aluminum Institute, CRU

Chinese excess capacity in 2017 was estimated at roughly 40% of production in the RoW.

Chinese Primary Aluminum Oversupply & Overcapacity

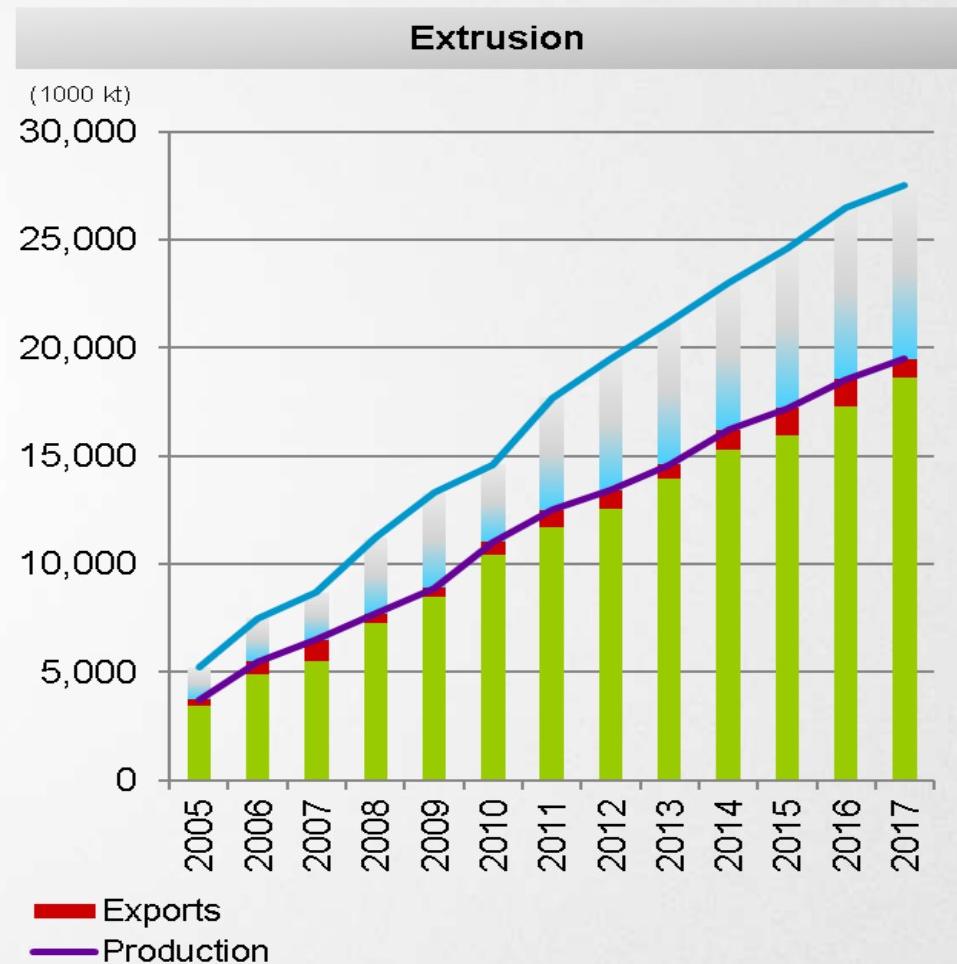
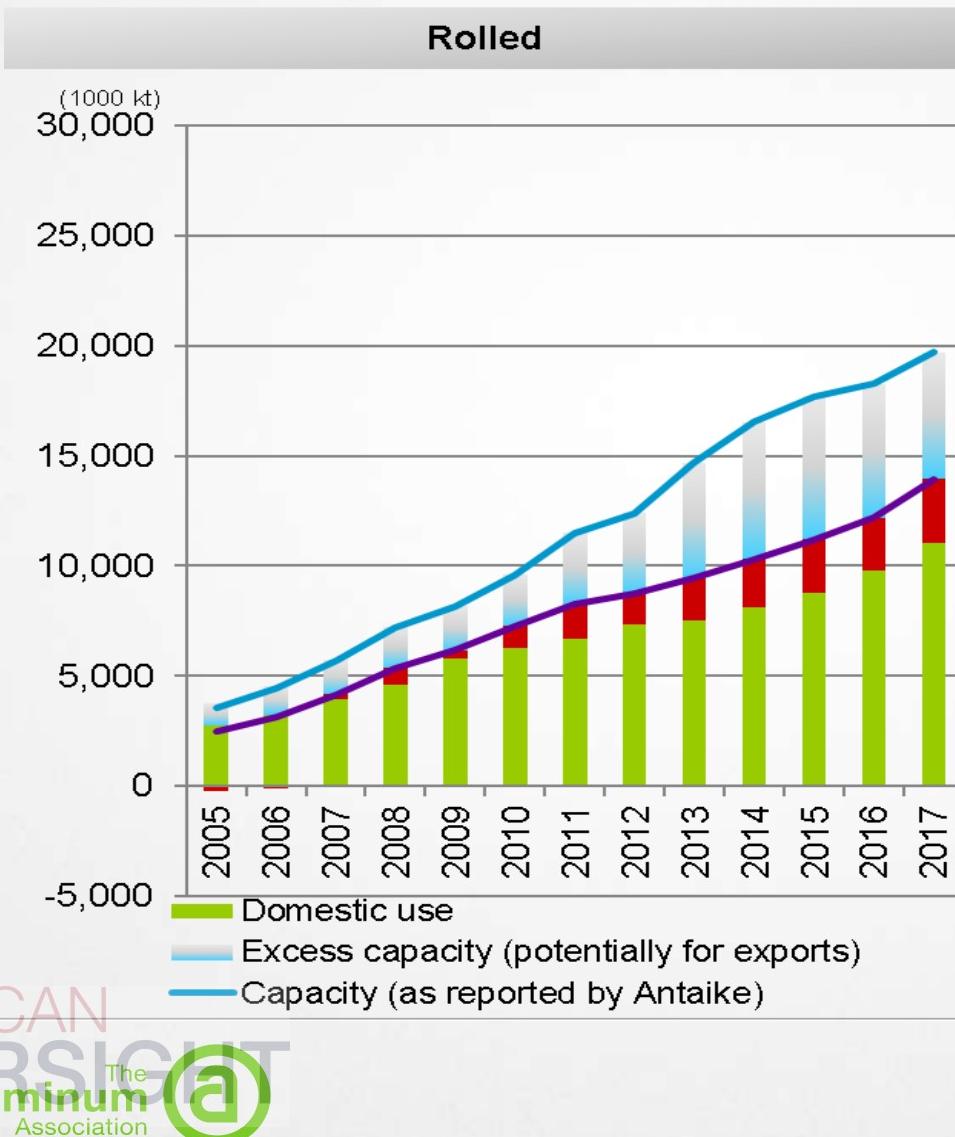
(Million Metric Tons)



Source: CRU

DOWNSTREAM CAPACITY BUILD CONTINUES

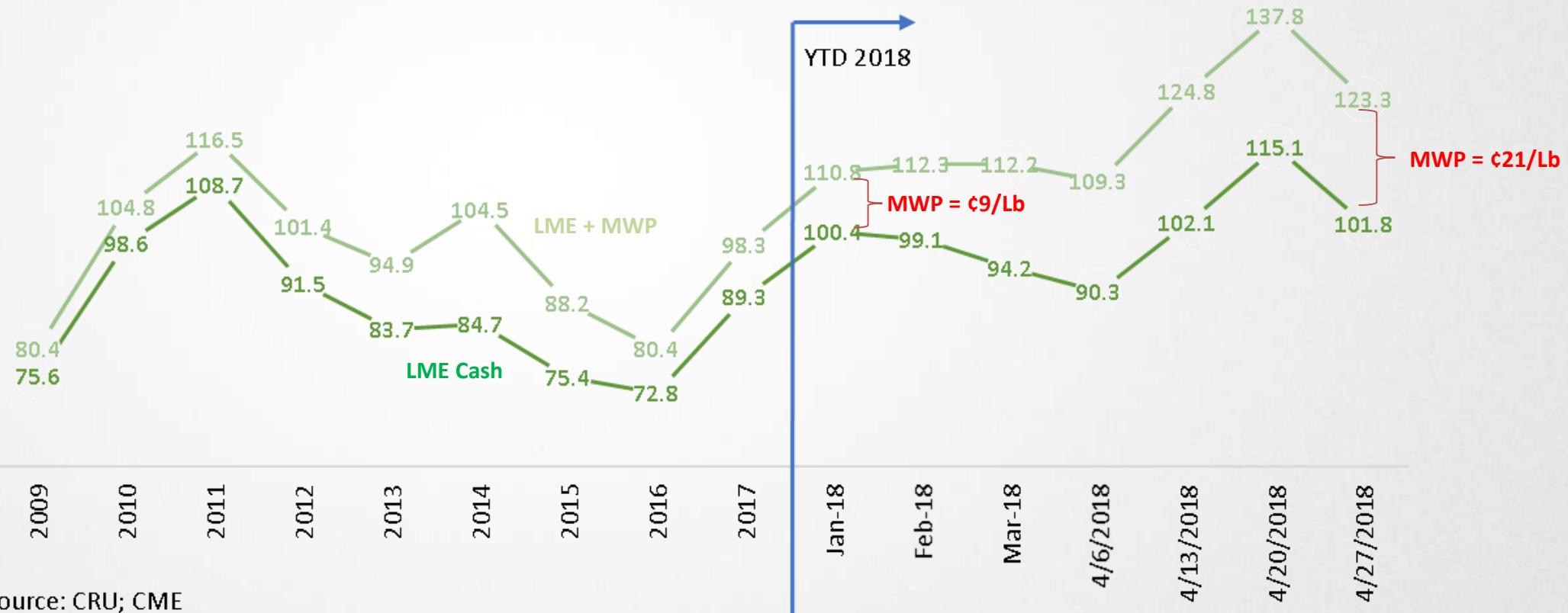
Huge Investment in Aluminum Downstream Capacity in China



Source: Antaike

TRENDS IN THE PRICE FOR ALUMINUM

ALL-IN PRICE FOR ALUMINUM INGOT
(LME + MWP, ¢/LB)



Source: CRU; CME

CHINESE PRICE ADVANTAGE

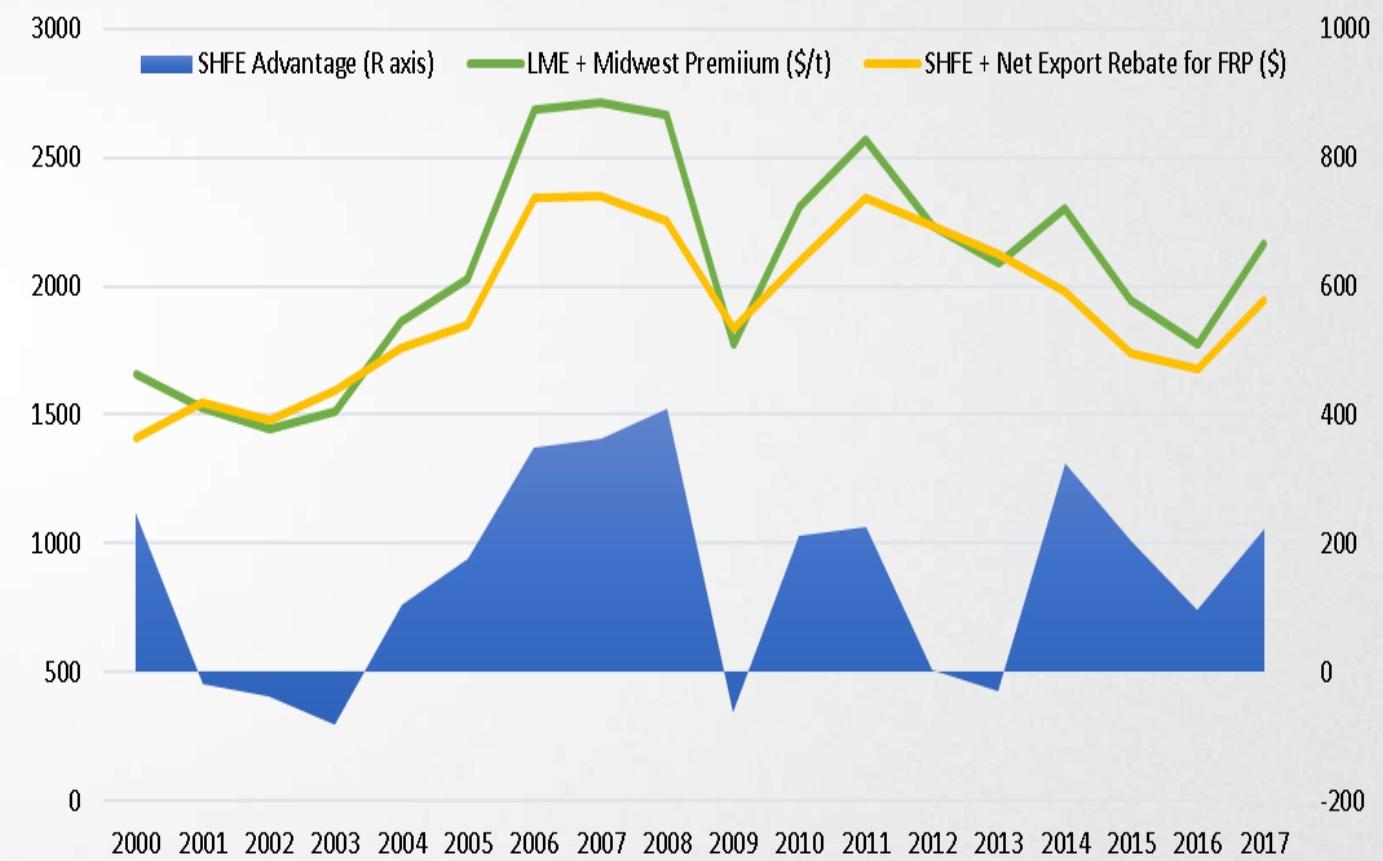
Aluminium price index

Aluminium price index



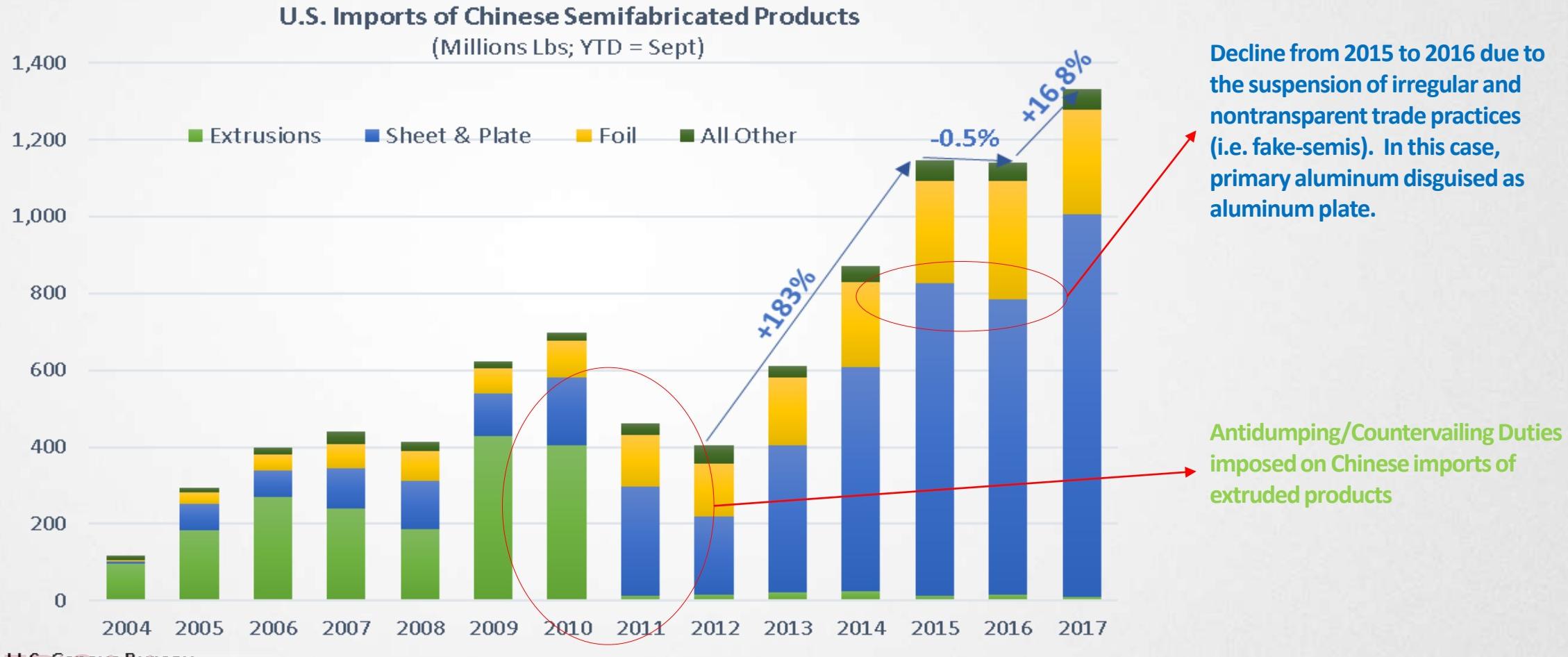
Data: LME, SHFE, CRU

Raw Price Advantage to Export to the U.S. (Rolled Products)



CRU, LME, & SHFE data; Internal Calculations by the Aluminum Association

GROWTH IN CHINESE IMPORTS



GLOBAL TRADE MEASURES AGAINST CHINA

Current Antidumping Orders		
Aluminum Product	Country	Date of Order
Aluminum extrusions	Australia	AD duties imposed 10/28/2010; Re-imposed 10/20/2015
Aluminum road wheels	Australia	AD duties imposed 7/5/2012
Aluminum zinc coated steel	Australia	AD duties imposed 8/5/2013
Aluminum printing plates	Brazil	AD duties imposed 3/5/2015
Aluminum extrusions	Canada	AD duties imposed 3/17/2009; Re-imposed 3/14/2017
Extruded aluminum profiles	Colombia	AD duties imposed 11/13/2013 & 10/19/2015
Aluminum foil (certain)	European Union	AD duties imposed 10/6/2009; Re-imposed 12/18/2015
Aluminum foil in small rolls	European Union	AD duties imposed 3/13/2013
Aluminum radiators	European Union	AD duties imposed 11/9/2012
Aluminum road wheels	European Union	AD duties imposed 10/28/2010
Aluminum foil	India	AD duties imposed May 16, 2017
Aluminum radiators	India	AD duties imposed 3/31/2017
Aluminum plates	India	AD duties imposed 9/25/2007; Re-imposed: 9/25/2012 & 6/9/2014
Cast aluminum alloy wheels	India	AD duties imposed 5/22/2015
Aluminum kitchenware	Mexico	AD duties imposed 10/25/2016
Aluminum extrusions	Trinidad & Tobago	AD duties imposed 2/21/2016
Aluminum foil (not backed)	Turkey	AD duties imposed 7/26/2014

Pending Antidumping Orders		
Aluminum Product	Country	Date of Order
Aluminum alloy wheels	Argentina	AD investigation initiated 5/30/2016; Provisional (prelim) duties imposed 12/7/2016
Aluminum profiles	Paraguay	AD investigation initiated 9/28/2016
Aluminum printing plates	South Korea	AD investigation initiated 9/8/2016
Aluminum foil	United States	AD investigation initiated 3/9/2017; ITC affirmative prelim injury determination 5/1/2017

Countervailing Duty (Subsidy) Orders

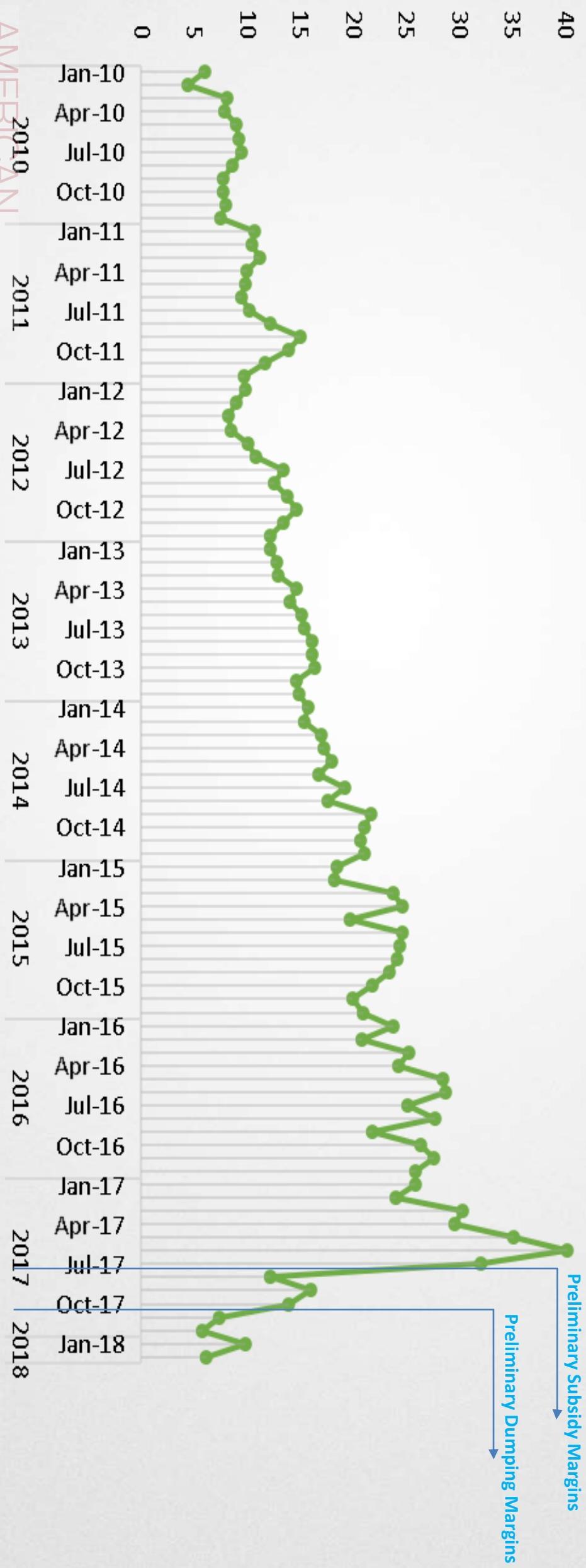
Aluminum Product	Country	Date of Order
Aluminium extrusions	Australia	CVD Duties imposed 10/29/2012; Re-imposed 10/20/2015
Aluminium road wheels	Australia	CVD Duties imposed 7/5/2012
Aluminium zinc coated steel	Australia	CVD Duties imposed 8/5/2013
Certain aluminum extrusions	Canada	CVD Duties imposed 3/17/2009; Re-imposed 3/17/2014
Aluminum extrusions	United States	CVD Duties imposed 5/26/2011

Pending Countervailing Duty (Subsidy) Orders

Aluminum Product	Country	Date of Order
Aluminum foil	United States	CVD Investigation initiated 3/9/2017; ITC affirmative prelim injury determination 5/1/2017

IMPACT OF PRELIMINARY DECISIONS

U.S. Imports of Aluminum Foil from China
(Millions of Pounds)



Principles for Negotiated Agreement on China's Aluminum Overcapacity

With the United States at a major turning point in trade negotiations with China, there is a unique window of opportunity to comprehensively address the persistent problem of Chinese aluminum overcapacity. **The desired outcome is a government-to-government bilateral negotiation that results in measurable reductions of Chinese aluminum overcapacity.**

China's trade-distorting behavior drives massive structural overcapacity in both primary aluminum production and downstream products. A negotiated agreement should include enforceable provisions to:

- 1) Eliminate Chinese aluminum overcapacity and overproduction across the value chain.
 - China has begun limited reforms, closing some unlicensed primary aluminum capacity – an important strategic change in the upstream sector. These reforms must be systemic and sustainable so they are not be rescinded based upon short-term economic considerations.
 - However, China has not yet adopted reforms in downstream capacity, where substantial overcapacity exists even as more capital investment is taking place.
- 2) Balance existing and future Chinese capacity growth against realistic demand projections.
 - An agreement could include commitments for production targets similar to those implemented in coal; changes in how operating licenses are issued and transferred; a common standard of treatment for SOEs and private enterprise; taxes on total CO₂ emissions that exceed global standards; and enforcement of energy, health and safety regulations that conform to global standards.
 - The reforms must take place within a reasonable timeframe (no more than two years) and they must be fully transparent.
- 3) Restrict aluminum exports that are a product of China overcapacity.
 - China should significantly reduce or remove export VAT rebates for downstream products; or establish voluntary export targets that could be linked to the fair market value of metal, projected aluminum consumption, or some other appropriate governing mechanism.
- 4) Establish mechanisms to transparently share information so that areas of concern can be identified, including a public-private working group that can review the implementation and progress of any agreement.

While China's temporary production cuts have made recent news, its capacity continues to increase and downstream aluminum products are flooding into the U.S. market. China's primary aluminum overcapacity in primary aluminum alone last year totaled 11 million metric tons, which is equal to nearly all U.S. aluminum demand. This persistent capacity overhang is hugely disruptive to the global market and reduces certainty for future investment in the United States.

April 2018

Office of the President

(b) (6) aluminum.org

April 24, 2018

(b) (6)

Suite 430 1400 Crystal Drive
Arlington, Virginia 22202

President Donald J. Trump
The White House
1600 Pennsylvania Ave. NW
Washington DC 20500

Mr. President:

On behalf of the Aluminum Association and the full value chain of the U.S. aluminum industry that it represents, I am grateful for your attention to this vital industry. I was glad to join industry leaders in the Oval Office one year ago when you announced an investigation into the national security impacts of aluminum imports. As you continue to evaluate and implement the Section 232 remedy, I urge you to grant permanent exemptions – without quotas – for our aluminum trading partners that operate as market economies. I also encourage you to engage China to address structural aluminum overcapacity.

The association's member companies share the belief that China's market-distorting behavior drives massive overcapacity in both primary aluminum production and downstream products. Now that the United States is at a major turning point in trade negotiations with China, we see a historic opportunity for you to address this persistent problem once and for all.

Equally important is to bolster the tremendous innovation and growth fueled by longstanding integration and established supply chains – particularly within North America. The United States consumes more than 5 million metric tons of primary aluminum each year but has less than 2 million metric tons of primary smelting capacity, and building new smelters is a time- and capital-intensive process. Fully 97 percent of U.S. aluminum industry jobs are in mid- and downstream production and most rely in some way on imported metal. We strongly believe that the Section 232 aluminum remedy should not disrupt current trading relationships with responsible trading partners. Any quotas on these key partners will only further distort the market, particularly if new sanctions on Russian aluminum lead to tightened supply conditions. Quotas would paradoxically cause imports of semi-fabricated products from China to be more competitive in the U.S. market, as manufacturers scramble to find metal.

The U.S. aluminum industry is a bright spot for manufacturing, with all indicators pointing to record demand in 2017 and robust growth in the years ahead. We are eager to work with you to tackle the real trade and regulatory barriers that are impeding the growth of primary aluminum production, many of which were identified in the Section 232 report on aluminum. In the meantime, focusing the Section 232 aluminum remedy on Chinese overcapacity is the best way to support our country's economic strength, national security and jobs.

Respectfully,



Heidi Brock
President and CEO

[EXTERNAL] CMI Meeting Request to Sec. Ross and USTR Lighthizer

From: Sylvester Giustino <(b) (6) cancentral.com>
"Young, Stewart B. EOP/USTR" <stewart.b.young@ustr.eop.gov>, Mike Platt
<mplatt@doc.gov>, Morgan Bedan <mbedan@doc.gov>, Brian Lenihan
<blenihan@doc.gov>, Lawson Kluttz <lkluttz@doc.gov>, Brad Botwin
<brad.botwin@bis.doc.gov>, "Griffin, Payne P. EOP/USTR"
To: <garrison.p.griffin@ustr.eop.gov>, "Munisteri, Stephen P. EOP/WHO"
<stephen.p.munisteri@who.eop.gov>, "Veletsis, Alexandra E. EOP/WHO"
<alexandra.e.veletsis@who.eop.gov>, "Clark, Justin R. EOP/WHO"
<justin.r.clark@who.eop.gov>
Cc: Robert Budway <(b) (6) cancentral.com>
Date: Tue, 15 May 2018 18:08:06 -0400

Attachments : CanManufacturersInstLetterRossLighthizer.docx (60.31 kB)

Attached is a letter from CMI President Robert Budway to Secretary Ross and USTR Lighthizer requesting a meeting to discuss the deleterious effects of quotas, tariffs and other actions will have on the can manufacturing industry as a result of the Section 232 actions on imported steel and aluminum.

We look forward to a meeting in short order.

Best regards,



May 15, 2018

The Honorable Wilbur Ross
Secretary of Commerce
1401 Pennsylvania Ave NW
Washington DC, 20230

The Honorable Robert Lighthizer
United States Trade Representative
600 17th Street NW
Washington DC 20006

Secretary Ross and Ambassador Lighthizer:

The Can Manufacturers Institute (CMI) is the national trade association of the can manufacturing industry and its suppliers. Our members employ 20,000 workers in 36 states and produce 119 billion beverage, food, aerosol and general line cans with tinplate steel and aluminum. CMI is writing to voice our concerns on the following:

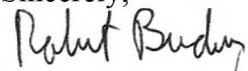
- 1) Country exemptions from the Section 232 tariffs for U.S. allies such as Canada, the European Union and the Gulf States are vital to ensure that U.S. can manufacturers have an adequate supply of quality aluminum cansheet and tinplate steel to support their manufacturing operations and protect U.S. jobs. The quota which has been applied in the Korea bilateral trade agreement has distorted the tinplate market to a significant extent. If quotas are imposed on our allies, our industry will be unable to procure sufficient aluminum cansheet and tinplate steel to produce cans to package the variety of beverages and foods Americans need to meet their basic nutritional needs. The American food supply is at risk if additional quotas are imposed.
- 2) Recently, US Steel filed an objection to Seneca Foods' application to exclude tinplate from the 232 steel tariffs. CMI's members strongly object to US Steel's assertions that it has the ability to supply our members with tinplate in the near future. CMI members estimate that the can industry's tinplate consumption for the next 12 months will be 2.6 million tons; US Steel's tinplate production capacity is 1.4 million tons for the next 12 months.

Attachment 1 details CMI member company experiences this year where **(b) (4)** and other domestic steel suppliers have repeatedly shown the inability or unwillingness to supply quality tinplate in a timely manner to meet our needs. We urge the Department of Commerce to grant the tinplate exclusion petitions that are pending before the Bureau of Industry and Security to ensure a continuous supply of tinplate.

- 3) The Administration's trade policy has created situations that the Administration surely could not have intended. One example is that imported canned foods, especially from China and Europe, are now more cost competitive or even cheaper than US-produced foods, putting American crop farmers at risk. Another example is that empty Chinese cans are entering the U.S. market tariff-free. Our US-based customers are now purchasing these containers, which are a threat to American can manufacturers. ***Attachment 2*** details business losses that our industry has suffered due to tariffs. The bottom line is that the Administration's policy is encouraging use of foreign products over American products. American jobs are on the line. And our country's food security is at risk.

CMI requests that you meet with us this week to hear our views on the quotas, tariffs and overall trade policy. We are aligned with the goals of the Administration to reinvigorate our industrial base, but we know our industry will suffer greatly unless certain safeguards are put in place to protect our workers, factories, customers and consumers.

Sincerely,



Robert Budway
President
Can Manufacturers Institute

See Attachments

Attachment 1

NOTE: THIS ATTACHMENT DETAILS INSTANCES WHERE DOMESTIC STEEL SUPPLIERS HAVE BEEN UNABLE TO PROVIDE SUFFICIENT QUANTITIES OF STEEL ACCORDING TO QUALITY STANDARDS NECESSARY TO MAKE STEEL FOOD, AEROSOL AND GENERAL LINE CANS. WE NOTE SEVERAL YEARS AGO A MAJOR DOMESTIC PRODUCER, LOCATED AT SPARROWS POINT, MARYLAND, SHUT DOWN. THIS CLOSURE REMOVED 450k OF TINPLATE, MAKING OUR INDUSTRY MORE DEPENDENT ON IMPORTED TINPLATE.

FOR ANTITRUST REASONS, NAMES OF THE COMPANIES ARE NOT DISCLOSED IN THIS DOCUMENT, BUT WE WILL BE PLEASED TO REVEAL COMPANY DETAILS AT AN IN-PERSON MEETING WITH SECRETARY ROSS OR AMBASSADOR LIGHIZER.

Company A: “we would like to review our June orders with (b) (4) accounting for 1,000 tons (it should be noted our Exclusion request is for 12,000 tons).

- March 14th – Placed June orders for 1,000 tons
- April 12th – received communication that 500 tons were placed for June 17th but the remaining 500 tons needed to move to July.
- April 13th – We sought clarification if we could order 250 tons per week in July and how should orders be placed
- April 17th – received communication that they would do best to get the 500 ton (June orders) which were pushed to July done in early July. “Will have to get back to you as soon as we can with direction about your July orders”
- April 19th – We inquired if any news (no response)
- April 23rd – We inquired again for update
- April 23rd – Received response that account rep last minute travel and would update soon
- April 24th – Communication by phone advised us that June tonnage filed July production availability and nothing was available until August.

(b) (4) does not have in the near term capacity to handle our additional volume. They seem unable to supply in a timely manner the smaller volume that we are currently trying to secure from them. It should be further noted, that while (b) (4) claims the ability to supply 100% of the product, that notion has not been demonstrated with current business”.

Company B: “Our most significant problem today domestically is on-time delivery (b) in 2016 delivered to us on their promised dates at a rate of 19% on-time. In 2017 they delivered at 12% on-time and in 2018 so far at 14% on-time. It is very difficult to manage a business with a supplier where we have no confidence in when we will receive the base metals we need to operate our business.

In 2015 we told (b) that we would increase our domestic buy if they would commit to investments. They provided a letter of commitment. One of those investments included raising the capability of producing wider coil widths that would allow us to be more efficient with internal processes, matching overseas competitors’ capability. We increased our orders with them but 8-9 months later (b) (4) canceled their investment.

We would prefer to buy domestic steel although we need quality tinplate, delivered when promised, at a near globally competitive price. With these facts we will be able to compete globally with anyone using technology to offset the low labor cost countries.”

Company C: This Company engaged in detailed tracking with (b) (4) regarding on time deliveries. Below is data from (b) (4) on their on-time performance.

	Total Items	On-Time	%
12/31	9	9	100%
1/7	14	9	64%
1/14	7	3	43%
1/21	1	1	100%
1/28	0	0	0%
Jan	31	22	71%
2/4	5	4	80%
2/11	11	5	45%
2/18	17	2	12%
2/25	5	0	0%
Feb	38	11	29%
3/4	1	0	0%
3/11	4	3	75%
3/18	9	7	78%
3/25	18	11	61%
Mar	32	21	66%
1st QTR	101	54	53%
4th Qtr	0	0	0%
3rd Qtr	0	0	0%
2nd Qtr	0	0	0%
1st Qtr	101	54	53%
2018 YTD	101	54	53%

Company D: Company D outlined (b) (4) performance below:

- (b) (4) on-time delivery is at 55% versus over 90% for import suppliers.
- (b) (4) has the highest quality claim rate of all suppliers. The reject rate of (b) (4) exceeds most import suppliers by ten times.
- We requested additional volume in 2018 from (b) (4) to supplant import supply. (b) (4) could only commit to 40% of the requested volume.

Company E: In response to the U.S. Government's announced tariffs, our company sought to replace our imported tinplate steel with domestically-produced steel. Upon making inquiries of the two independent domestic tinplate steel manufacturers, we were informed that:

- (b) (4) will not accept additional orders beyond those that our company has already contracted for in 2018. In addition, (b) (4) on-time delivery performance to our facilities is 35%.
- (b) (4) will not accept additional orders beyond those that our company has already contracted for in 2018.

Because these companies have no available tinplate steel in inventory and lack the capacity to produce more, our company will be forced to continue importing tinplate steel from foreign sources and pay the 25% tariff in order to meet customer demand and sustain our workforce. However, we are deeply concerned that the higher prices we will be compelled to charge in order to cover the tariff costs will

severely reduce the competitiveness of our product given other market responses to steel tariffs (see Attachment 2 below for details). If not addressed by an exclusion from tariffs for tinplate steel or sufficient country exemptions, we will likely be forced to cut our U.S. workforce due to an expected loss of market share.

1730 Rhode Island Avenue, NW • Suite 1000 • Washington, DC 20036
202-232-4677 (t) • 202-232-5756 (f) • www.cancentral.com

Attachment 2

THIS ATTACHMENT DETAILS BUSINESS LOSSES EXPERIENCED OR ANTICIPATED BY CAN MAKERS DUE TO THE SECTION 232 TARIFFS.

Company A: "We are a small business producing specialty cans in the United States and our competition today is nearly 100% imported cans from Asia. The tins we compete against are allowed to enter the USA without any duty. In the first quarter of this year a major customer asked for us to guarantee their price for the year of 2018 which we normally do based upon our annual contracts with our global supplier. We said that due to the fact that this customer's steel was 50% produced in the USA and 50% produced overseas we could not guarantee the price. The customer gave a million dollar order to China as they did guarantee the price. We as a nation lost it all."

Company B: (b) (4) canned fruit producers, said it plans to buy 700 million cans for this year's growing season. The price increases on steel from tariffs will add close to \$20 million in unplanned additional cost. The company had expected profit for this year of \$24 million, but the extra steel costs could cut (b) (4) profits by up to \$18 million. Rivals of (b) and other U.S. based food producers in China and Europe, meanwhile, are seen getting a boost from steel tariffs. Canned fruit and vegetables imported into the United States will not be subject to tariffs because they are classified as finished goods, so foreign competitors are under no pressure to raise prices.

Company C: This CMI member company has already lost a significant amount of general line business to Chinese rivals due to the threat of tariffs. Their U.S. customers said these finished Chinese cans are cheaper to import since there is no tariff versus U.S. manufactured cans. Company C will be happy to detail the circumstances of this business loss in an in-person meeting.

Company D: Several of our American customers have begun purchasing and are seeking to buy more finished cans imported from China, Canada, Mexico and other countries because these products are excluded from the 25% tariffs that our company will have to pay for the steel in our products and be forced to pass on to customers. These and other customers are also actively considering switching to plastic containers given the expected and larger price differential resulting from tariffs. In addition, the strengthening US dollar is adding to our customers' economic incentive to import empty or filled cans from foreign sources. Company D would be happy to discuss in more detail in a face to face meeting. As noted in Attachment 1, if these emerging market effects are not addressed by an exclusion from tariffs for tinplate steel or sufficient country exemptions, we will likely be forced to cut our U.S. workforce due to an expected loss of market share.

[EXTERNAL] Aluminum Association Letter on Joint Effort to Address Overcapacity & Industrial Subsidies

From: Heidi Brock <(b) (6) @aluminum.org>

To: "Gerrish, Jeffrey D. EOP/USTR" <jeffrey.d.gerrish@ustr.eop.gov>

"Walters, Gregory M. EOP/USTR" <gregory.m.walters@ustr.eop.gov>, "Young, Stewart B. EOP/USTR" <stewart.b.young@ustr.eop.gov>, "Motwane, Jai Y. EOP/USTR" <jai_motwane@ustr.eop.gov>, "Carlson, Carrie H. EOP/USTR" <carolyn.h.carlson@ustr.eop.gov>, Lauren Wilk (b) @aluminum.org>

Cc:

Date: Tue, 28 Aug 2018 12:59:48 -0400

Attachments : Aluminum Association-Letter-Trilateral Talks_082818.pdf (45.9 kB); 232TradeReport_August2018.pdf (738.61 kB)

Ambassador Gerrish:

As the team at USTR moves forward in a joint effort with its counterparts from Japan and the European Union to address the market-distorting effects of Chinese trade practices, I hope you will include as a priority issue the direct and indirect subsidies that are leading to China's overcapacity in primary and downstream aluminum. Attached here is a letter that provides additional context related to our concerns.

And given our meeting in the spring where we discussed issues related to the Section 232 remedy for aluminum imports, you might also find the latest "U.S. Aluminum Import Monitor" to be of interest (attached here). This monthly update is a tool the Association developed for member companies to track U.S. import data specific to aluminum products covered under the Section 232 remedy. Because China's overcapacity is the foundational challenge for our industry, the Association continues to support a full exemption from the aluminum remedy for market economy countries.

We look forward to continuing our work with you and your colleagues on these important issues.

Kind regards,

Heidi



Heidi Brock
President & CEO
The Aluminum Association

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JOIN THE CONVERSATION:     

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1400 Crystal Drive, Suite 430
Arlington, Virginia 22202

August 28, 2018

The Honorable Jeffrey Gerrish
Deputy U.S. Trade Representative
Office of the United States Trade Representative
600 17th Street, NW
Washington, DC 20508

Dear Ambassador Gerrish:

On behalf of the members of the Aluminum Association and the full value chain of the U.S. aluminum industry that it represents, I am grateful for the priority that the Administration has placed on strengthening this vital industry. With the market demand picture bright, and growth in the U.S. aluminum industry occurring, now is an excellent time to address the trade issues posed by China. We were glad to see the United States reengaged last week with China in negotiations on trade challenges, and also to see the United States, Japan and the European Union continue the trilateral effort to address China's market-distorting industrial subsidies. This is an important moment in U.S.-China relations, and I respectfully request that the issue of direct and indirect subsidies that lead to China's structural overcapacity across the aluminum value chain be included in the objectives of your trilateral initiative.

The Aluminum Association is the largest aluminum trade association in the United States, representing 113 member companies across the entire value chain that produce 70 percent of all aluminum shipped in North America. The association represents aluminum production and jobs in the United States, ranging from primary production to value-added products to recycling, as well as suppliers to the industry. The U.S. aluminum industry is a bright spot for manufacturing, with all indicators pointing to historic, record demand in 2017 and robust growth in the years ahead. Recently, the association released updated economic impact data that found the U.S. aluminum industry generates nearly \$71 billion in direct economic output and directly employs more than 162,000 workers. Aluminum industry jobs have grown 3.5% since 2013 despite global trade challenges and a significant drop in employment in primary aluminum smelting. Importantly, the industry has announced more than \$2.6 billion in investments and expansions in recent years.

As you heard from industry leaders last spring, however, the association's member companies have a shared belief that China's trade-distorting behavior drives massive structural overcapacity in both primary aluminum production and downstream products. This is a foundational problem confronting the industry not only in the United States but also around the world. For this reason, the Association has supported trade remedies that focus on China and leave market economies harmless.

Despite temporary production cuts, China's capacity continues to increase and downstream aluminum products have been flooding into the U.S. market for years. China's primary aluminum capacity grew about 9 percent from 2016 to 2017. In fact, China's excess capacity in primary

aluminum alone last year totaled nearly 11 million metric tons, which is almost equivalent to the total U.S. demand for aluminum and aluminum products. This persistent capacity overhang is hugely disruptive to the global market and reduces certainty for future investment in the United States – a concern if we want to maintain our momentum.

Further, we have seen a 230 percent spike in downstream Chinese semi-fabricated aluminum product imports since 2012. The Aluminum Association has initiated or supported antidumping and countervailing duty cases to address illegal Chinese subsidies and unfairly traded imports in specific product segments. In two recent cases, we have seen measurable and significant impacts when antidumping and countervailing duty (AD/CVD) tariffs were imposed on Chinese imports. **The durable AD/CVD remedy is creating incentives for aluminum producers to invest and expand in the United States, and it is creating a more level playing field for the industry. To address the underlying issues of market-distorting subsidies in China, though, we strongly support a government-to-government agreement that would address the industrial subsidies that push aluminum overcapacity.**

Now that the United States has recognized the issue of overcapacity and is pursuing tangible commitments from China to address longstanding issues, we see a unique window of opportunity for the U.S. government to comprehensively address the persistent problem of Chinese aluminum overcapacity. Ultimately, the best solution for the U.S. aluminum industry and the jobs its supports would be a negotiated agreement with China that results in measurable reductions in Chinese aluminum capacity across the aluminum value chain.

We look forward to working with you and your team as you tackle China's unfair trading practices and continue to fight for a robust U.S. aluminum industry.

Respectfully,



Heidi Brock
President and CEO
The Aluminum Association



SPECIAL REPORT: U.S. ALUMINUM IMPORT MONITOR

Data through June 2018

OVERVIEW OF SECTION 232

Section 232 of the Trade Expansion Act of 1962, as amended, authorizes the President to adjust the imports of an article and its derivatives that are being imported into the United States in such quantities or under such circumstances as to threaten to impair the national security. On March 8, 2018 the President authorized the imposition of a 10 percent ad valorem tariff on aluminum articles, as defined below. Those tariffs went into place on March 23, 2018. This report provides Aluminum Association members with a means of tracking and identifying the importation of aluminum and aluminum products that fall within the scope of this order.

The aluminum and aluminum products subject to the 10% tariff include those under the HTS Chapter 76 headings shown in the table below:

As of this publication, U.S. import data is available through June 2018. As of June 1st, exemptions from the 232 remedy on aluminum imports from Brazil, Canada, Mexico, the EU expired. However, exemptions remain in place for Argentina (subject to an [absolute quota](#)) and Australia (fully exempt). The Administration has made clear that these exemptions can be modified by the President at any time "pending discussions of satisfactory long-term alternative means to address the threatened impairment to U.S. national security."

Harmonized Tariff Schedule Headings	Aluminum Product
HTS 7601	Unwrought Aluminum
HTS 7604	Aluminum Bars, Rods, and Profiles
HTS 7605	Aluminum Wire
HTS 7606	Aluminum Plate, Sheet and Strip
HTS 7607	Aluminum Foil
HTS 7608	Aluminum Tubes & Pipes
HTS 7609	Aluminum Tube & Pipe Fittings
HTS 7616.99.51.60	Aluminum Castings
HTS 7616.99.51.70	Aluminum Forgings

EXECUTIVE SUMMARY

U.S. imports of aluminum and aluminum products covered under the 232 determination have fallen in each month since the 232 tariffs were put into place in late March. In June, imports totaled 964.5 million pounds, off 15.2 percent from May's total of 1.14 billion pounds. As exemptions for Brazil, Canada, Mexico, and the EU expired, imports from all non-exempt countries (those subject to the 10 percent ad valorem tariff) reached 925.3 million pounds in June. With the addition of these once exempt countries, non-exempt countries now account for 96.0 percent of covered imports, up from 40.3 percent in May. Canada led the way for non-exempt trading partners in June, importing 475.6 million pounds and accounting for roughly 51.4 percent of non-exempt imports. The United Arab Emirates, India, Bahrain, and Oman rounded out the top five.

With only two countries currently exempt from the 232 tariffs, the level of imports from exempt countries declined significantly, down 94.2 percent month-over-month in June, totaling 39.2 million pounds. While advancing 32.3 percent over the May level, volumes from Argentina and Australia are off 10.0 percent year-to-date in 2018.

The majority of imports (both non-exempt and exempt) in June were classified under US HTS 7601 (or unwrought aluminum ingot), although the volume of these products were off 15.0 percent month-over-month. In fact, all major product headings experienced a decline from May levels.

June Highlights:

By Product:

- [7601 imports were off for the third consecutive month](#)
 - At a level not seen since February 2016
- [While off m/m, 7604 imports continued to outpace 4-yr range](#)
- [Declining 20.8% m/m, 7606 volumes fell below 4-yr range](#)

By Trading Partners:

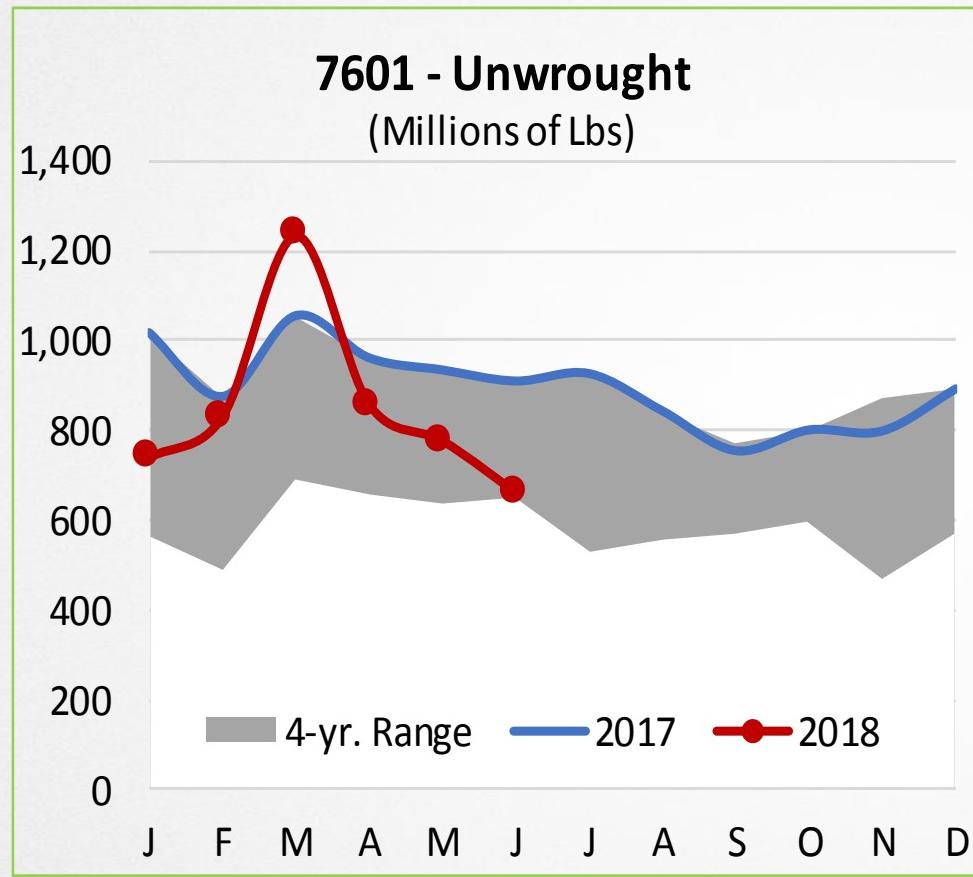
- [99.7% of imports from exempt partners fell under 7601](#)
- [Imports from non-exempt countries reached 1.9B lbs or \\$2.6B in Q2](#)
- [Indonesia and South Africa were the only two of the top 10 up m/m](#)
- [Canadian volumes were off 14.6% y/y and are off 8.3% ytd](#)

232 Covered Imports: By Product

Product by USHTS Heading	Jun-18	May-18	M/M %Ch.	Jun-17	Y/Y %Ch.	YTD 2018	YTD 2017	YTD %Ch.
7601 - Unwrought	659,594,787	776,172,737	-15.0%	908,200,190	-27.4%	5,096,854,206	5,745,360,351	-11.3%
7604 - Extruded Shapes/Rod & Bar	49,853,187	54,590,180	-8.7%	45,602,786	9.3%	298,648,031	245,478,632	21.7%
Extruded Shapes	45,419,219	49,240,773	-7.8%	37,224,292	22.0%	259,851,882	198,267,457	31.1%
Rods & Bars	4,433,968	5,349,407	-17.1%	8,378,494	-47.1%	38,796,149	47,211,175	-17.8%
7605 - Wire & Redraw	43,312,159	48,986,429	-11.6%	55,618,983	-22.1%	316,579,519	362,972,152	-12.8%
Aluminum Wire	10,179,653	10,245,046	-0.6%	13,011,519	-21.8%	65,596,673	129,073,139	-49.2%
Redraw Rod	33,132,506	38,741,383	-14.5%	42,607,464	-22.2%	250,982,846	233,899,013	7.3%
7606 - Sheet & Plate	162,063,298	204,513,142	-20.8%	209,184,238	-22.5%	1,280,506,322	1,182,798,226	8.3%
Can Stock	3,672,755	28,548,419	-87.1%	16,283,182	-77.4%	108,805,505	78,423,266	38.7%
Circles & Discs	1,762,419	3,080,658	-42.8%	3,635,924	-51.5%	16,150,741	18,995,210	-15.0%
Plate	19,203,785	29,443,371	-34.8%	19,855,070	-3.3%	137,752,062	97,815,065	40.8%
Sheet	137,424,339	143,440,694	-4.2%	169,410,062	-18.9%	1,017,798,014	987,564,685	3.1%
7607 - Foil	41,352,004	43,459,391	-4.8%	70,805,462	-41.6%	274,413,533	337,396,472	-18.7%
7608 - Pipe & Tube	4,240,610	4,752,159	-10.8%	5,587,476	-24.1%	28,783,618	29,452,509	-2.3%
7609 - Pipe & Tube Fittings	1,126,494	1,250,724	-9.9%	2,005,971	-43.8%	8,376,909	9,148,410	-8.4%
7616 - Castings & forgings	2,922,272	3,450,663	-15.3%	5,194,812	-43.7%	24,138,918	29,772,435	-18.9%
Total	964,464,811	1,137,175,425	-15.2%	1,302,199,918	-25.9%	7,328,301,056	7,942,379,187	-7.7%

Source: U.S. Census Bureau

232 Covered Imports: By Product - 7601



Year-to-Date Imports of 7601

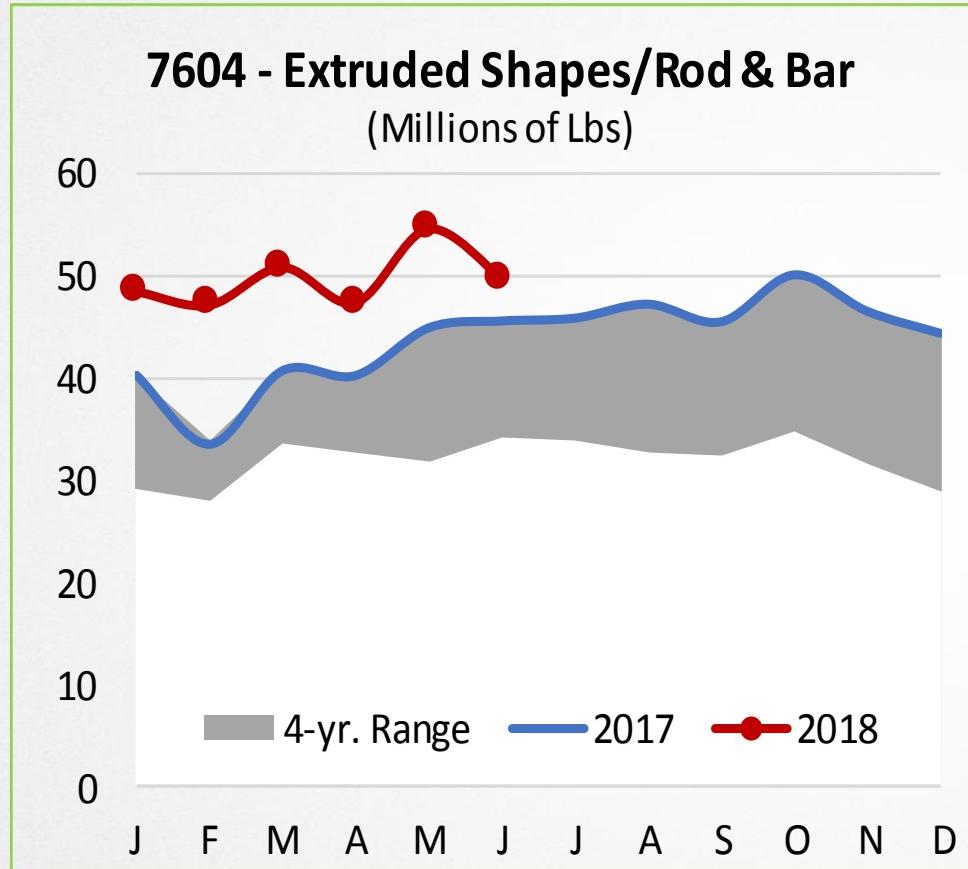
(Millions of Pounds)

Trading Partner	YTD 2018	YTD 2017	% Change
Canada	2,610.97	2,930.38	-10.9%
United Arab Emirates	712.31	867.82	-17.9%
Russia	520.68	849.40	-38.7%
India	223.32	93.53	138.8%
Argentina*	190.48	188.87	0.9%
South Africa	153.13	142.70	7.3%
Bahrain	148.18	124.22	19.3%
Qatar	129.11	134.76	-4.2%
Australia*	72.73	93.30	-22.0%
Venezuela	65.93	102.17	-35.5%
Saudi Arabia	59.29	29.96	97.9%
Total	5,096.85	5,745.36	-11.3%

*Currently Exempt

Source: U.S. Census Bureau

232 Covered Imports: By Product - 7604



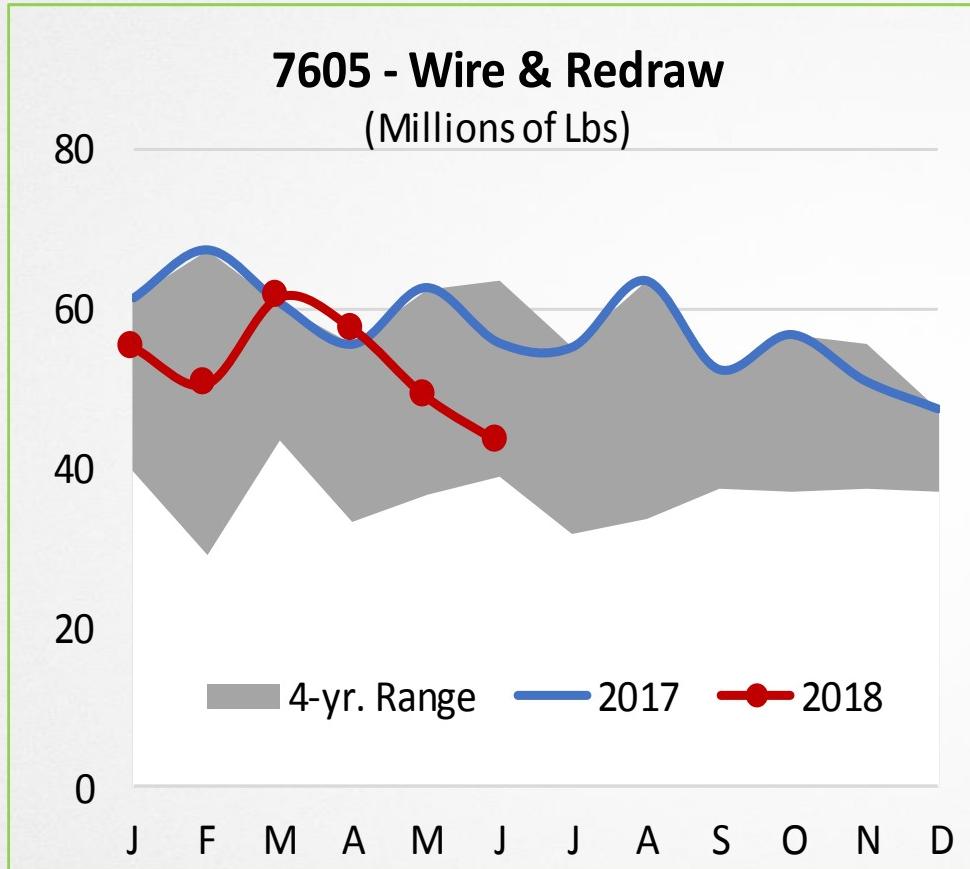
Year-to-Date Imports of 7604

(Millions of Pounds)

Trading Partner	YTD 2018	YTD 2017	% Change
Canada	107.58	99.59	8.0%
Mexico	40.50	34.13	18.6%
Vietnam	27.42	22.21	23.5%
Indonesia	20.26	10.44	94.0%
Colombia	10.08	7.52	34.1%
Malaysia	9.65	6.16	56.7%
Ecuador	8.47	4.98	70.0%
Russia	7.30	5.98	22.0%
Italy	7.21	6.81	5.8%
Turkey	7.16	4.81	48.7%
Germany	5.94	5.42	9.6%
Total	298.65	245.48	21.7%

Source: U.S. Census Bureau

232 Covered Imports: By Product - 7605



Year-to-Date Imports of 7605

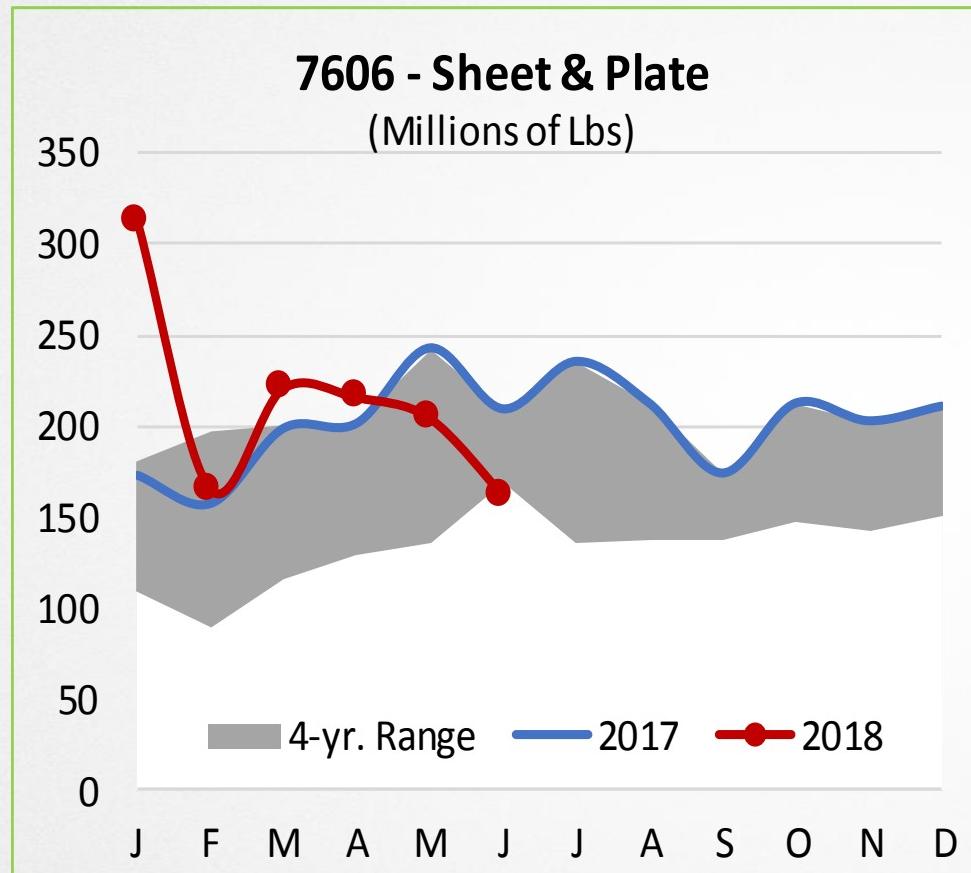
(Millions of Pounds)

Trading Partner	YTD 2018	YTD 2017	% Change
Canada	224.33	211.58	6.0%
Bahrain	57.29	92.69	-38.2%
Russia	9.75	20.82	-53.2%
Argentina*	7.09	13.99	-49.3%
United Arab Emirates	5.70	1.09	423.7%
China	4.39	2.90	51.3%
Spain	2.60	2.83	-8.0%
Korea, South	1.44	1.78	-19.1%
Netherlands	1.06	1.68	-36.8%
Japan	0.79	0.58	35.4%
Mexico	0.48	0.18	158.8%
Total	316.58	362.97	-12.8%

*Currently Exempt

Source: U.S. Census Bureau

232 Covered Imports: By Product - 7606



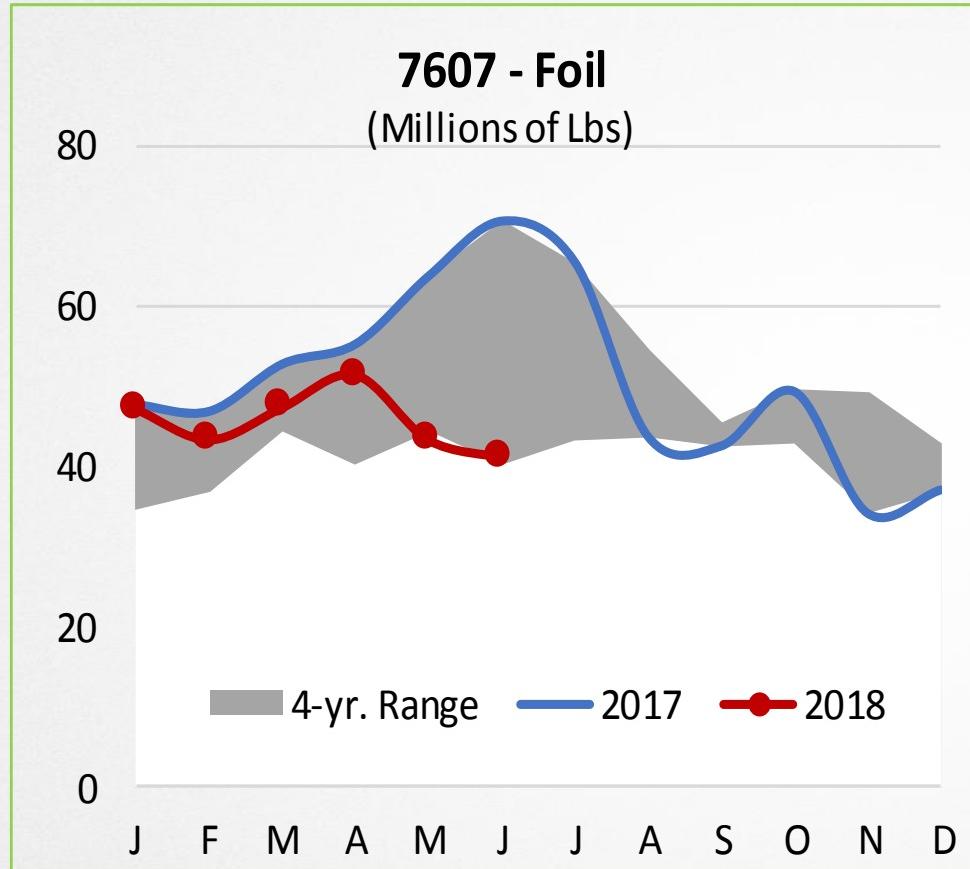
Year-to-Date Imports of 7606

(Millions of Pounds)

Trading Partner	YTD 2018	YTD 2017	% Change
China	432.95	497.06	-12.9%
Canada	180.25	170.32	5.8%
Indonesia	76.92	71.34	7.8%
Bahrain	70.83	57.67	22.8%
South Africa	61.16	53.10	15.2%
Oman	57.91	21.10	174.4%
India	43.70	52.00	-15.9%
France	40.36	22.74	77.5%
Germany	36.66	40.64	-9.8%
Japan	36.66	26.60	37.8%
Austria	33.06	33.34	-0.8%
Total	1,280.51	1,182.80	8.3%

Source: U.S. Census Bureau

232 Covered Imports: By Product - 7607



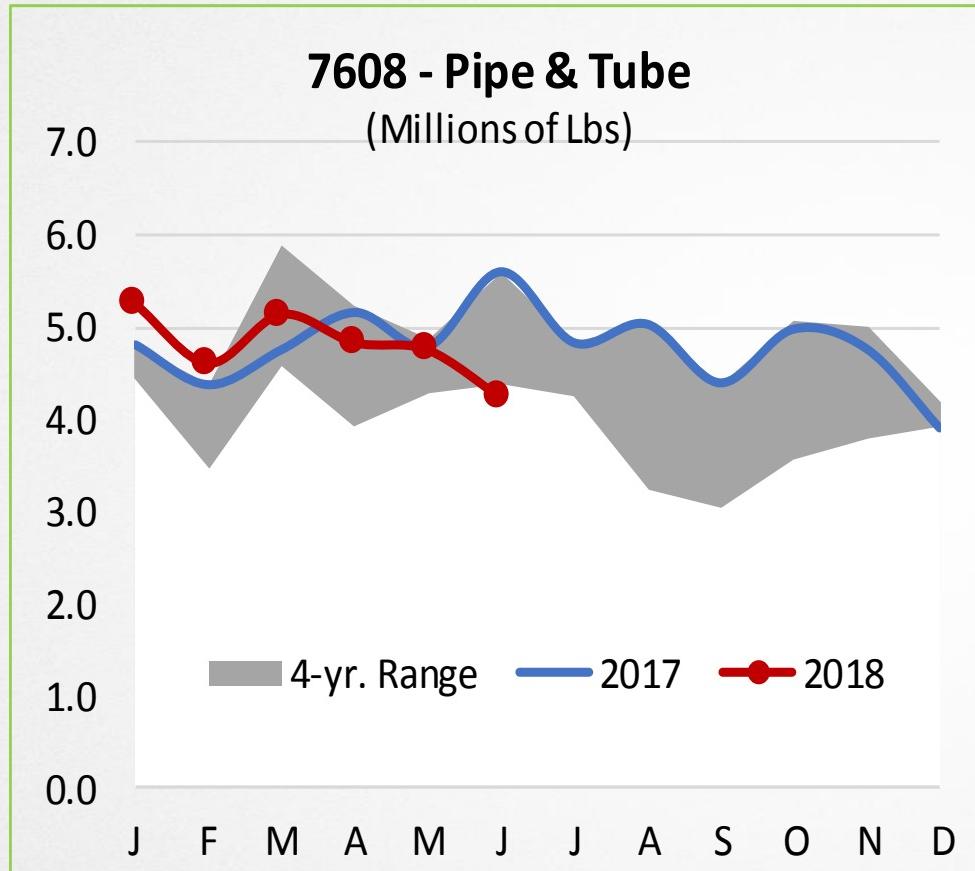
Year-to-Date Imports of 7607

(Millions of Pounds)

Trading Partner	YTD 2018	YTD 2017	% Change
China	69.58	232.75	-70.1%
Germany	29.70	16.77	77.0%
Korea, South	23.15	3.46	570.0%
Brazil	19.03	6.94	174.2%
Canada	18.33	16.88	8.6%
Turkey	14.89	3.22	362.2%
Armenia	14.52	11.54	25.8%
Russia	13.18	15.76	-16.4%
Luxembourg	7.92	0.00	--
Japan	7.28	1.84	295.8%
Sweden	6.22	2.26	175.8%
Total	274.41	337.40	-18.7%

Source: U.S. Census Bureau

232 Covered Imports: By Product - 7608



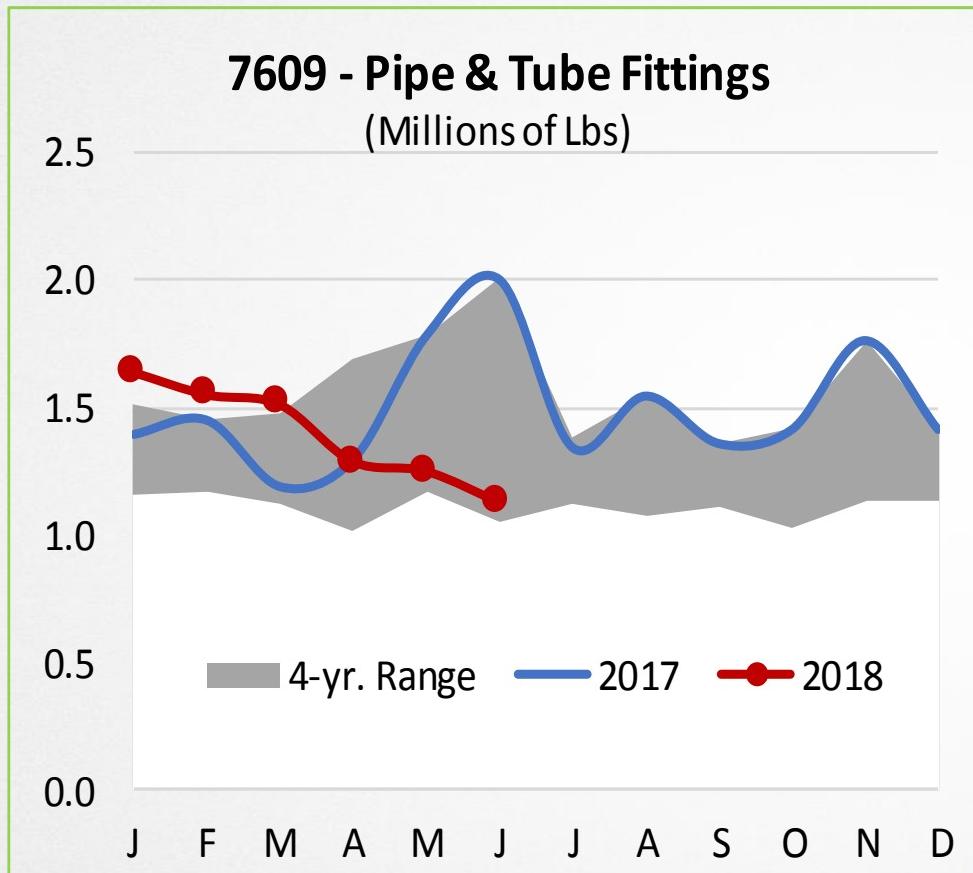
Year-to-Date Imports of 7608

(Millions of Pounds)

Trading Partner	YTD 2018	YTD 2017	% Change
Mexico	10.76	12.21	-11.9%
Canada	5.75	4.11	40.0%
Japan	2.28	2.06	10.8%
Germany	1.34	1.03	30.1%
Taiwan	1.19	1.25	-4.6%
Korea, South	0.95	0.97	-2.1%
China	0.81	0.65	23.7%
Israel	0.68	1.24	-45.2%
Indonesia	0.60	1.82	-67.1%
Vietnam	0.59	0.74	-20.1%
Russia	0.57	0.54	4.8%
Total	28.78	29.45	-2.3%

Source: U.S. Census Bureau

232 Covered Imports: By Product - 7609



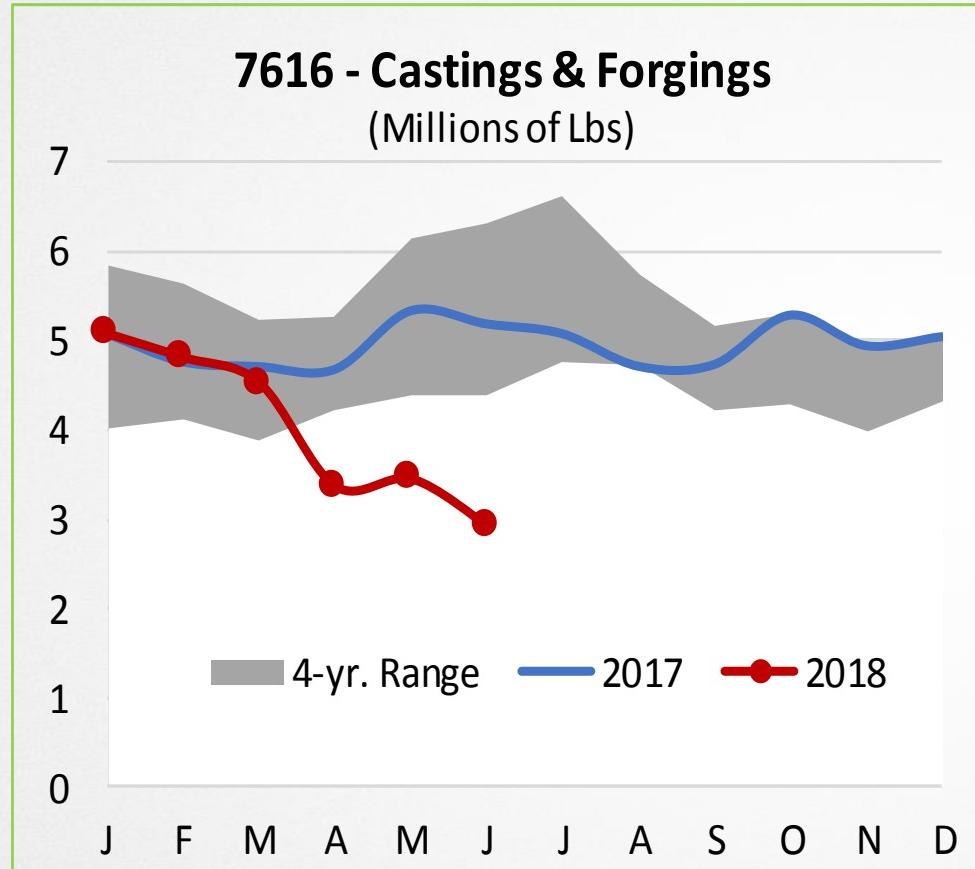
Year-to-Date Imports of 7609

(Millions of Pounds)

Trading Partner	YTD 2018	YTD 2017	% Change
China	3.22	2.96	8.7%
Mexico	1.54	2.13	-27.7%
India	1.25	1.59	-21.4%
Canada	0.60	0.91	-34.5%
Korea, South	0.47	0.34	37.1%
Vietnam	0.42	0.29	44.1%
Taiwan	0.34	0.30	11.2%
Japan	0.08	0.21	-62.0%
Germany	0.08	0.06	28.7%
Netherlands	0.06	0.01	462.9%
Thailand	0.04	0.01	401.0%
Total	8.38	9.15	-8.4%

Source: U.S. Census Bureau

232 Covered Imports: By Product - 7616



Year-to-Date Imports of 7616

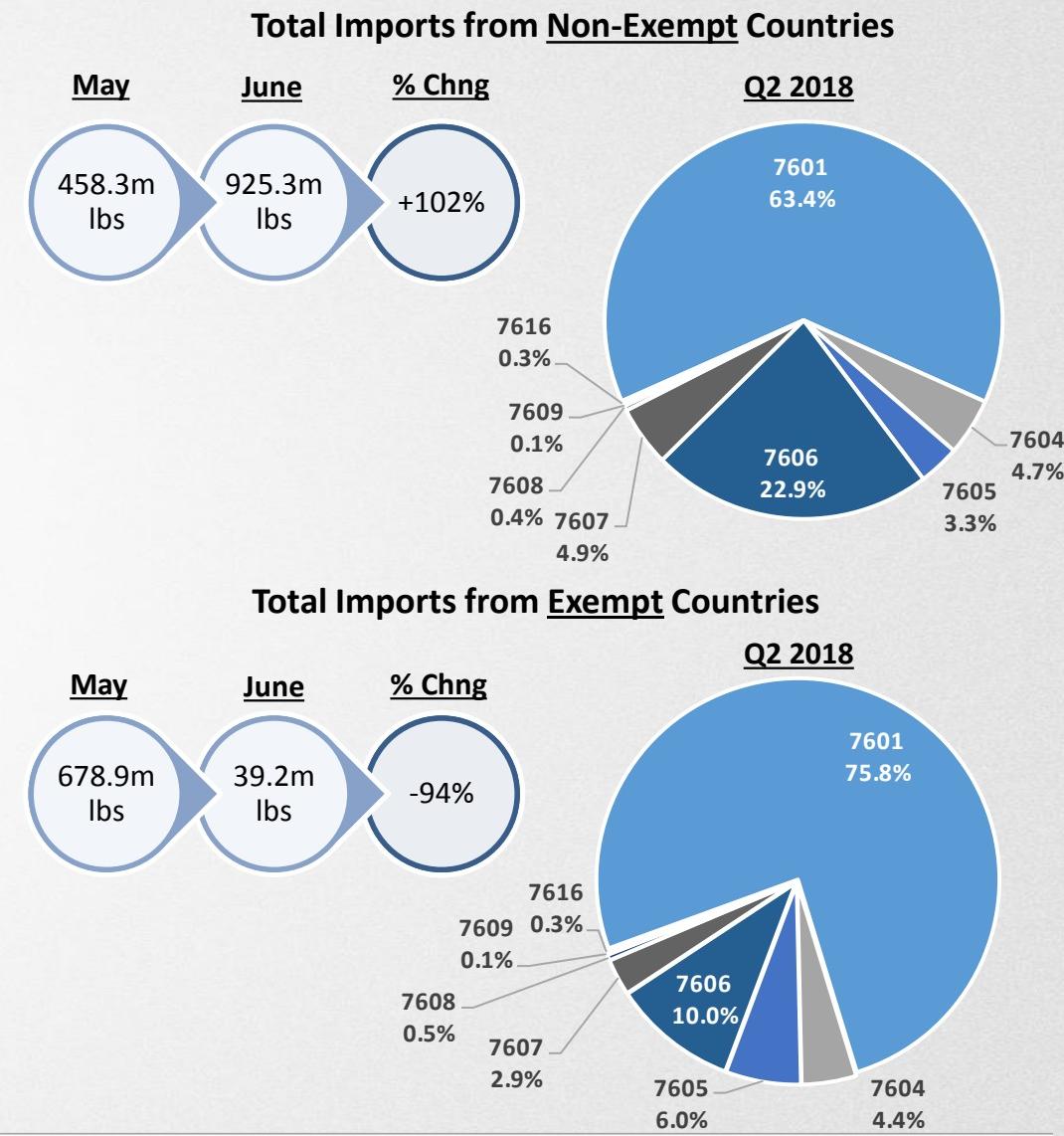
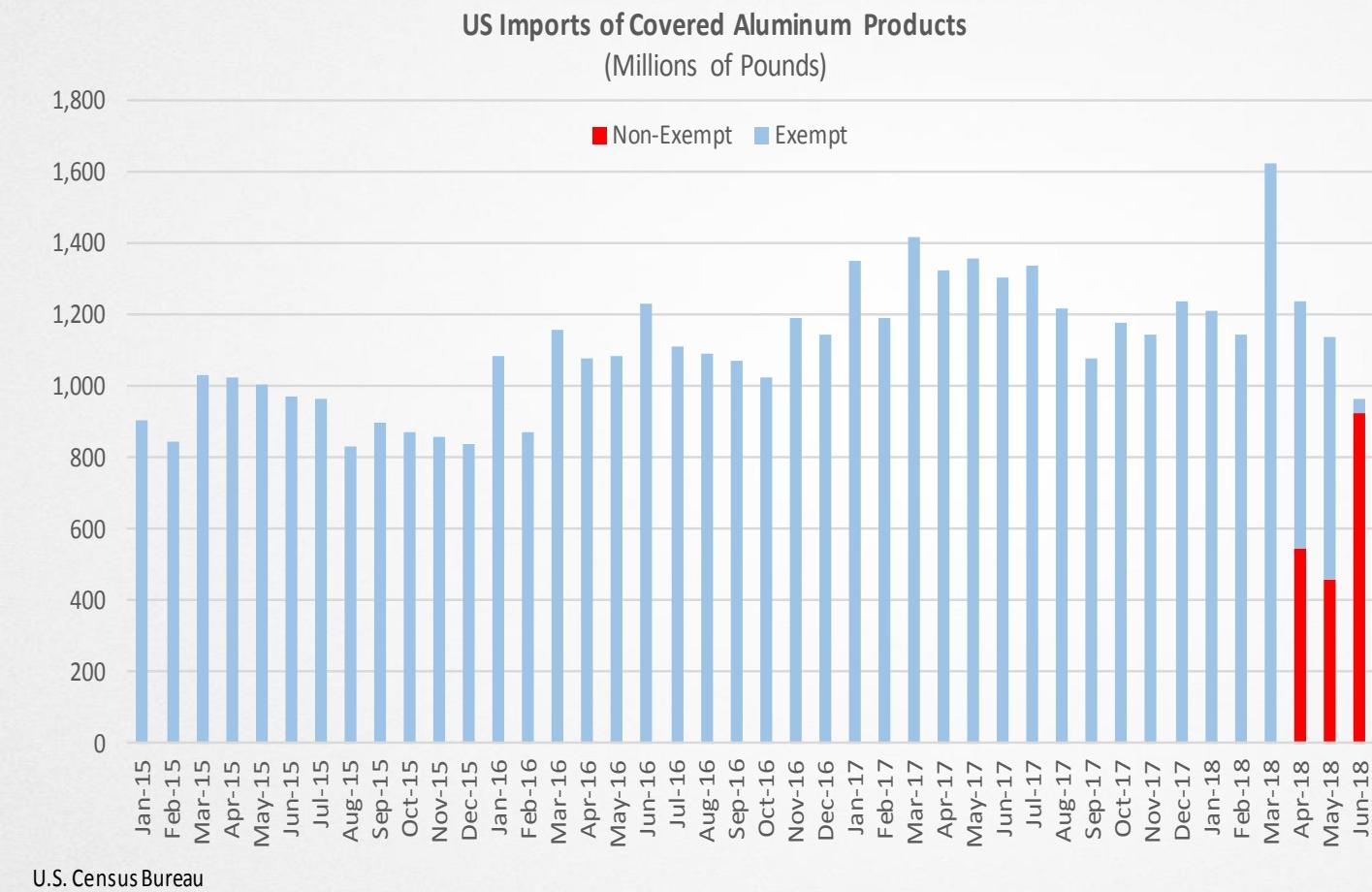
(Millions of Pounds)

Trading Partner	YTD 2018	YTD 2017	% Change
China	10.71	12.97	-17.4%
Canada	3.35	3.69	-9.3%
Mexico	2.13	3.32	-35.9%
Czech Republic	2.07	1.40	48.0%
Taiwan	1.21	1.93	-37.1%
India	1.14	1.96	-41.6%
Italy	0.55	0.27	106.0%
Poland	0.49	0.37	30.5%
Japan	0.46	0.55	-15.8%
Russia	0.35	0.11	215.0%
France	0.28	1.47	-81.2%
Total	24.14	29.77	-18.9%

Source: U.S. Census Bureau

TRENDS IN IMPORTS FROM: NON-EXEMPT & EXEMPT TRADING PARTNERS

232 Covered Imports: Non-Exempt vs. Exempt – Q2 2018



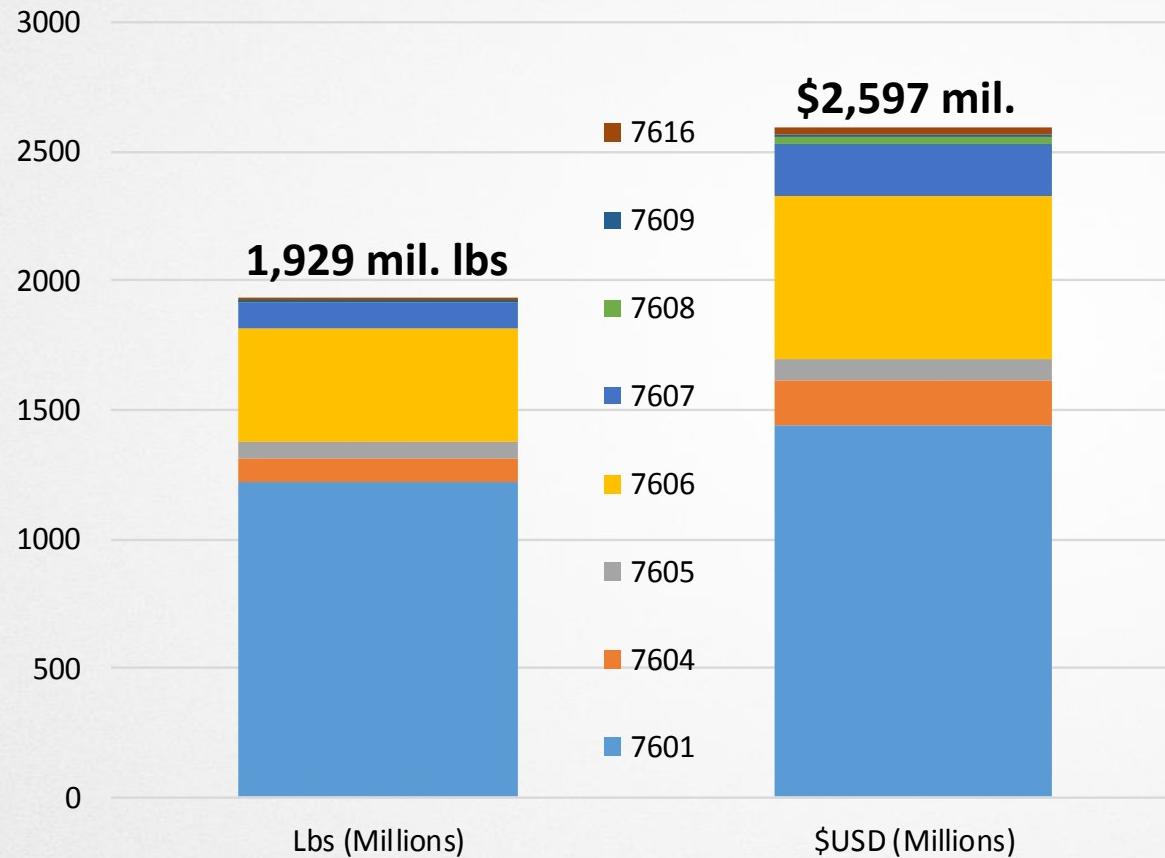
232 Covered Imports: Non-Exempt vs. Exempt – June 2018

Product by USHTS Heading	Non Exempt June 2018	Exempt June 2018	Total June 2018	Non Exempt May 2018	Exempt May 2018	Total May 2018
7601 - Unwrought	620,510,634	39,084,153	659,594,787	266,297,487	509,875,250	776,172,737
7604 - Extruded Shapes/Rod & Bar	49,751,786	101,401	49,853,187	22,466,930	32,123,250	54,590,180
Extruded Shapes	45,317,818	101,401	45,419,219	20,742,949	28,497,824	49,240,773
Rods & Bars	4,433,968	0	4,433,968	1,723,981	3,625,426	5,349,407
7605 - Wire & Redraw	43,312,159	0	43,312,159	3,675,013	45,311,416	48,986,429
Aluminum Wire	10,179,653	0	10,179,653	2,319,982	7,925,064	10,245,046
Redraw Rod	33,132,506	0	33,132,506	1,355,031	37,386,352	38,741,383
7606 - Sheet & Plate	162,063,294	4	162,063,298	136,531,365	67,981,777	204,513,142
Can Stock	3,672,755	0	3,672,755	28,267,710	280,709	28,548,419
Circles & Discs	1,762,419	0	1,762,419	1,815,337	1,265,321	3,080,658
Plate	19,203,785	0	19,203,785	21,988,400	7,454,971	29,443,371
Sheet	137,424,335	4	137,424,339	84,459,918	58,980,776	143,440,694
7607 - Foil	41,352,002	2	41,352,004	25,090,188	18,369,203	43,459,391
7608 - Pipe & Tube	4,239,558	1,052	4,240,610	1,629,104	3,123,055	4,752,159
7609 - Pipe & Tube Fittings	1,126,348	146	1,126,494	786,291	464,433	1,250,724
7616 - Castings & forgings	2,921,465	807	2,922,272	1,786,412	1,664,251	3,450,663
Total	925,277,246	39,187,565	964,464,811	458,262,790	678,912,635	1,137,175,425

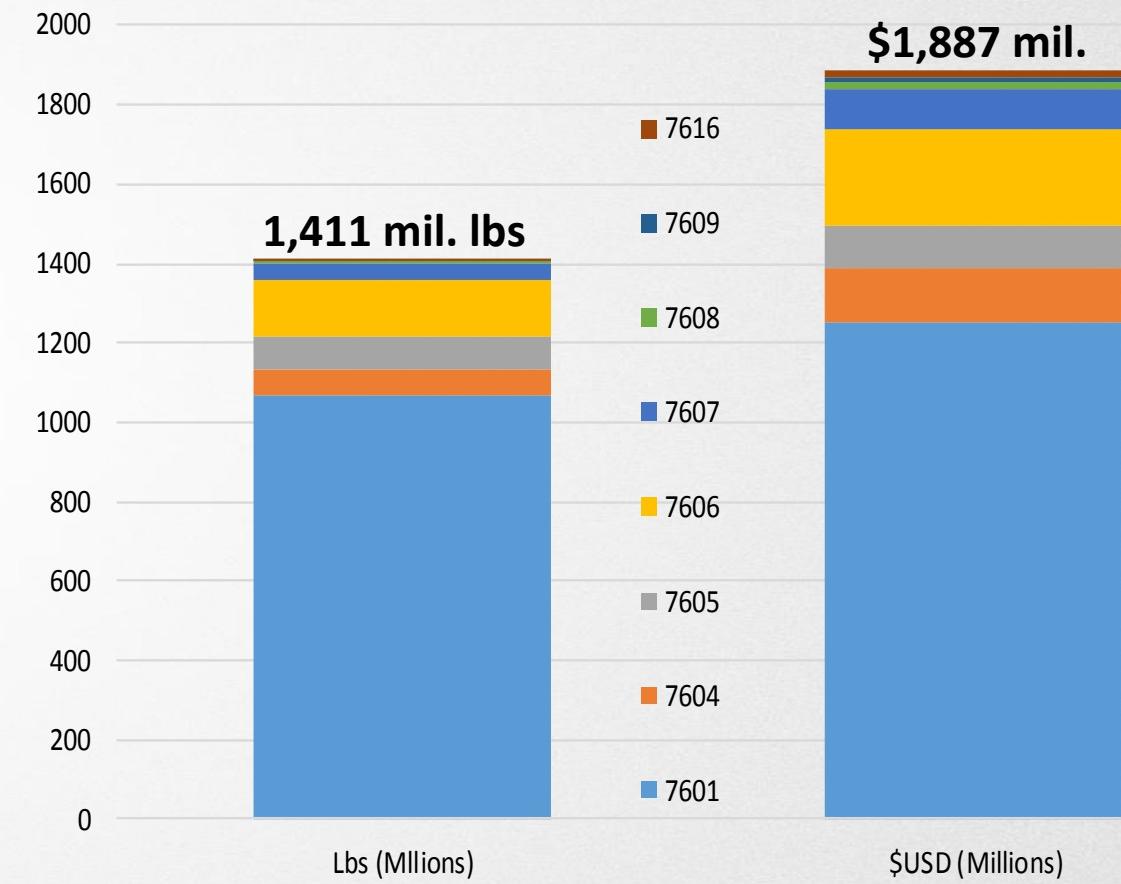
Source: U.S. Census Bureau

232 Covered Imports: Non-Exempt vs. Exempt – Q2 2018

Non-Exempt Volumes & Values



Exempt Volumes & Values



Source: U.S. Census Bureau

Covered Imports By Non-Exempt Trading Partner

Import Partner	Jun-18	May-18	M/M %Ch.	Jun-17	Y/Y %Ch.	YTD 2018	YTD 2017	YTD %Ch.
Canada*	475,599,182	545,236,708	-12.8%	557,018,047	-14.6%	3,151,163,327	3,437,457,706	-8.3%
United Arab Emirates	94,797,273	110,355,865	-14.1%	108,919,202	-13.0%	720,252,182	869,083,917	-17.1%
India	45,602,017	50,972,662	-10.5%	64,902,202	-29.7%	275,722,236	153,325,815	79.8%
Bahrain	32,157,577	50,979,307	-36.9%	60,010,621	-46.4%	276,300,358	274,579,184	0.6%
Oman	26,585,675	31,466,687	-15.5%	5,345,551	397.3%	116,319,460	56,975,994	104.2%
China	24,608,196	61,068,346	-59.7%	154,835,007	-84.1%	531,406,512	761,561,272	-30.2%
Qatar	23,835,860	33,905,321	-29.7%	24,346,534	-2.1%	129,117,816	134,763,479	-4.2%
Indonesia	22,976,460	17,110,842	34.3%	14,883,562	54.4%	102,337,556	84,786,305	20.7%
South Africa	21,821,175	11,792,510	85.0%	47,061,259	-53.6%	215,504,951	195,968,610	10.0%
Russia	14,722,678	15,993,105	-7.9%	112,187,837	-86.9%	567,169,682	904,804,952	-37.3%
Germany*	12,142,017	16,225,775	-25.2%	10,074,946	20.5%	74,800,583	66,481,105	12.5%
Korea, South	11,537,765	7,740,741	49.1%	8,046,953	43.4%	70,593,946	34,808,274	102.8%
France*	10,249,920	9,180,552	11.6%	8,723,857	17.5%	65,586,090	36,553,005	79.4%
Taiwan	10,145,848	8,426,729	20.4%	1,431,636	608.7%	37,482,723	8,192,169	357.5%
Turkey	8,466,937	6,514,387	30.0%	2,768,492	205.8%	35,380,851	15,864,242	123.0%
Mexico*	8,282,067	17,596,529	-52.9%	12,967,041	-36.1%	85,807,332	76,709,734	11.9%
Spain*	7,687,819	3,970,602	93.6%	1,668,030	360.9%	20,195,375	8,483,798	--
Japan	7,506,926	7,273,986	3.2%	5,215,646	43.9%	48,509,836	32,347,953	50.0%
Austria*	7,277,810	7,090,783	2.6%	8,294,608	-12.3%	39,980,521	39,846,259	0.3%
Saudi Arabia	7,061,861	6,187,490	14.1%	8,235,864	-14.3%	75,090,811	41,015,930	83.1%
All Others	52,212,183	88,465,350	-41.0%	69,541,498	-24.9%	418,653,062	407,901,324	2.6%
Total	925,277,246	1,107,554,277	-16.5%	1,286,478,393	-28.1%	7,057,375,210	7,641,511,027	-7.6%

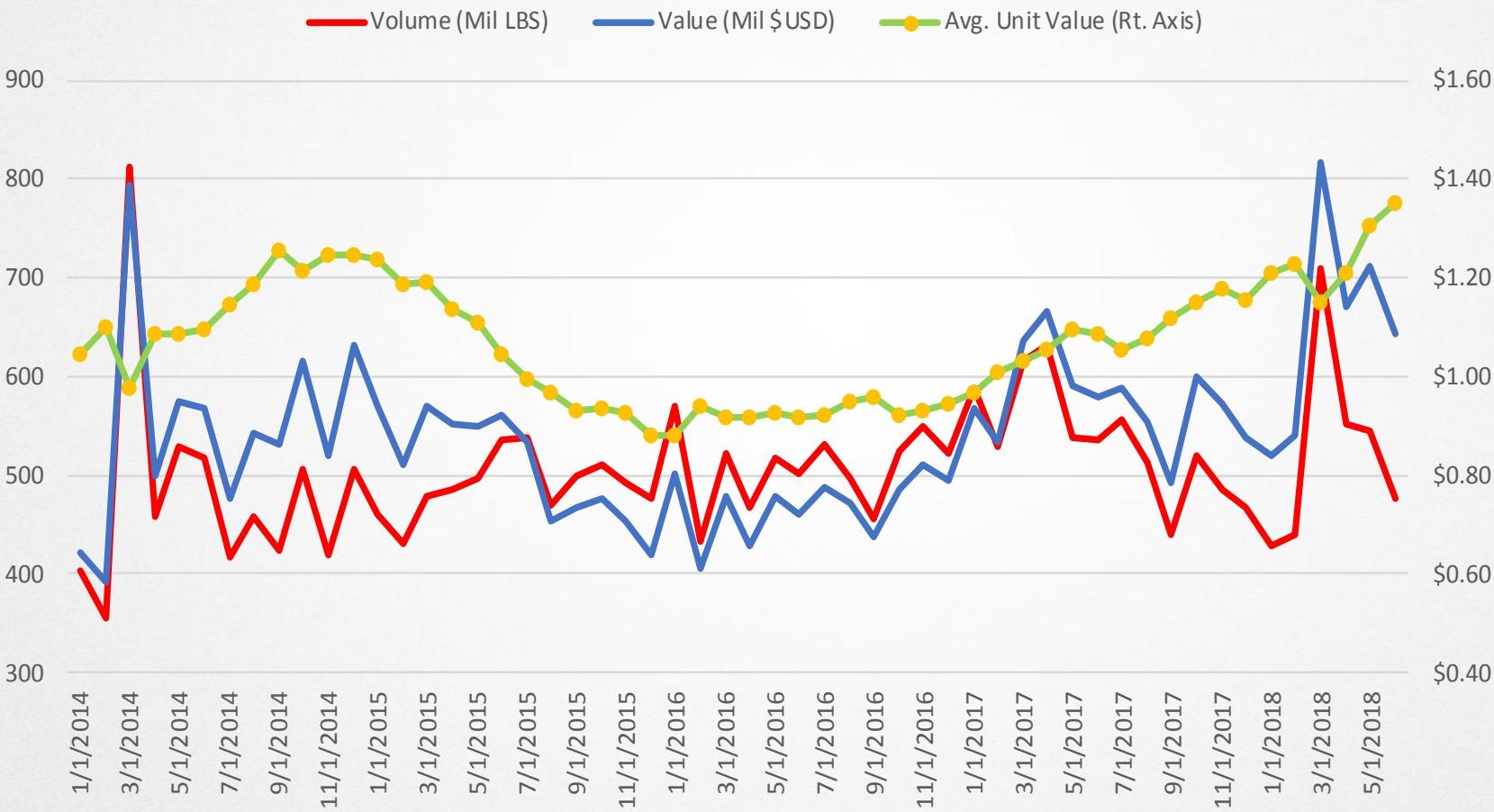
*Country was exempt in May

Source: U.S. Census Bureau

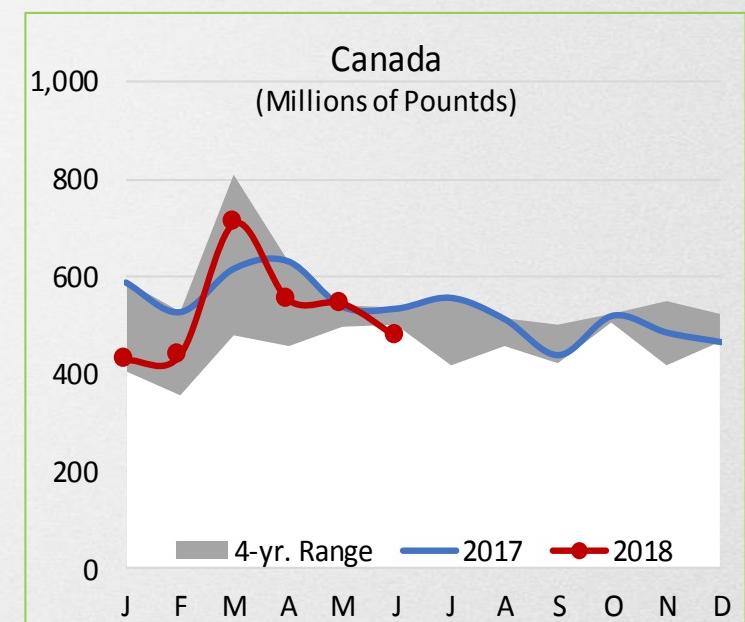
Spotlight: Top 10 Non-Exempt Trading Partners in June

2018 Year-to-Date

#1: Canada

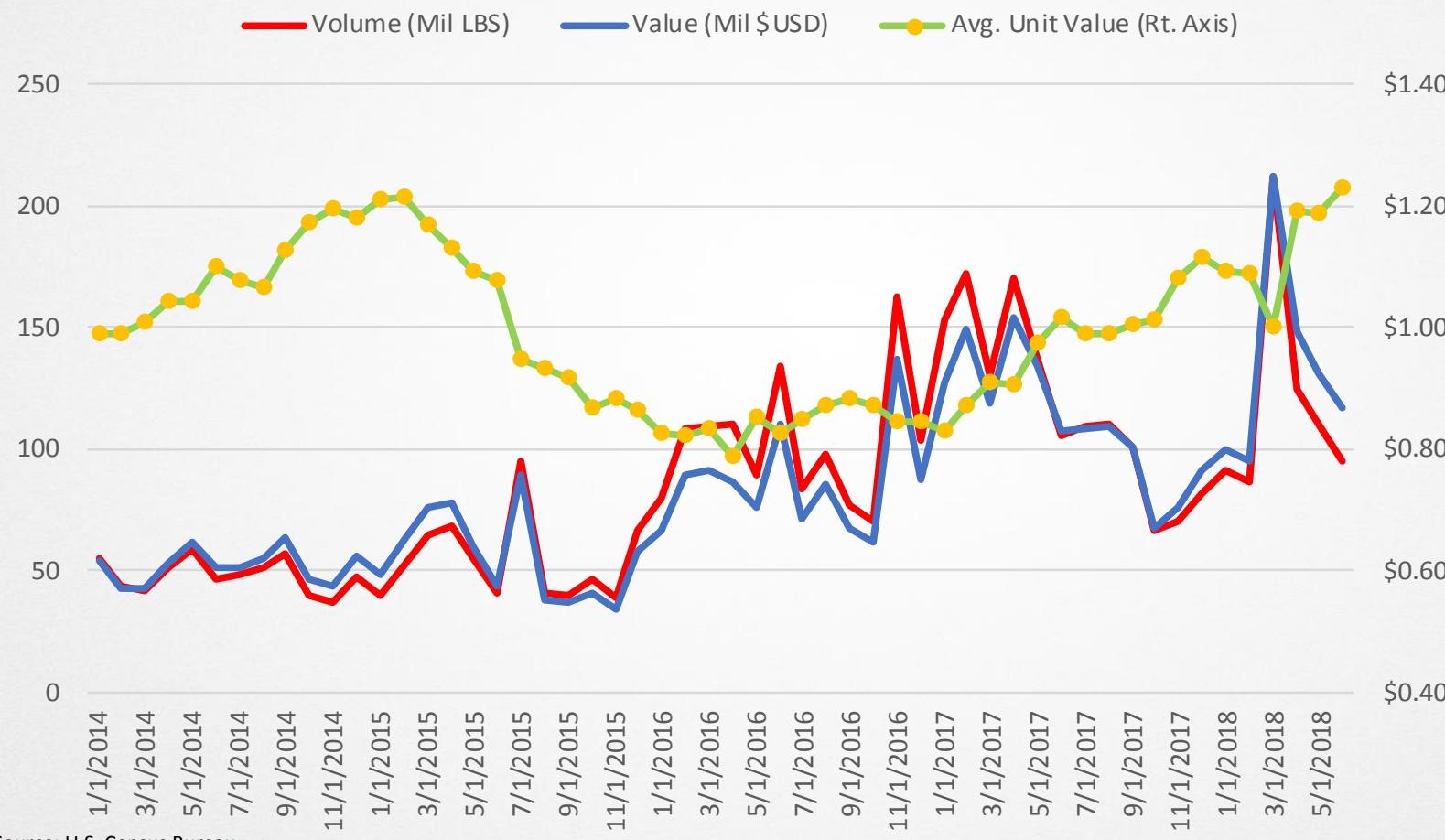


Product	MLbs	% Share
7601	2,611.0	82.86%
7604	107.6	3.41%
7605	224.3	7.12%
7606	180.2	5.72%
7607	18.3	0.58%
7608	5.8	0.18%
7609	0.6	0.02%
7616	3.3	0.11%
Total	3,151.2	100.00%



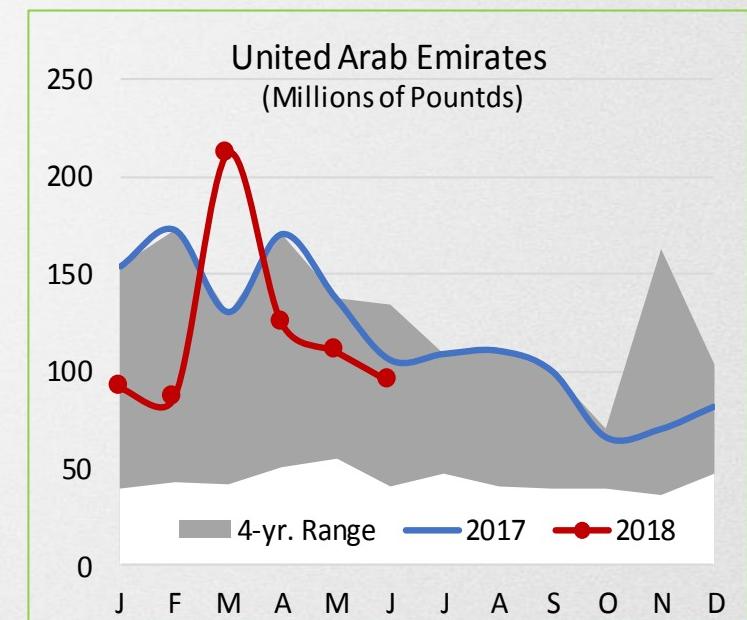
Spotlight: Top 10 Non-Exempt Trading Partners in June

#2: United Arab Emirates



2018 Year-to-Date

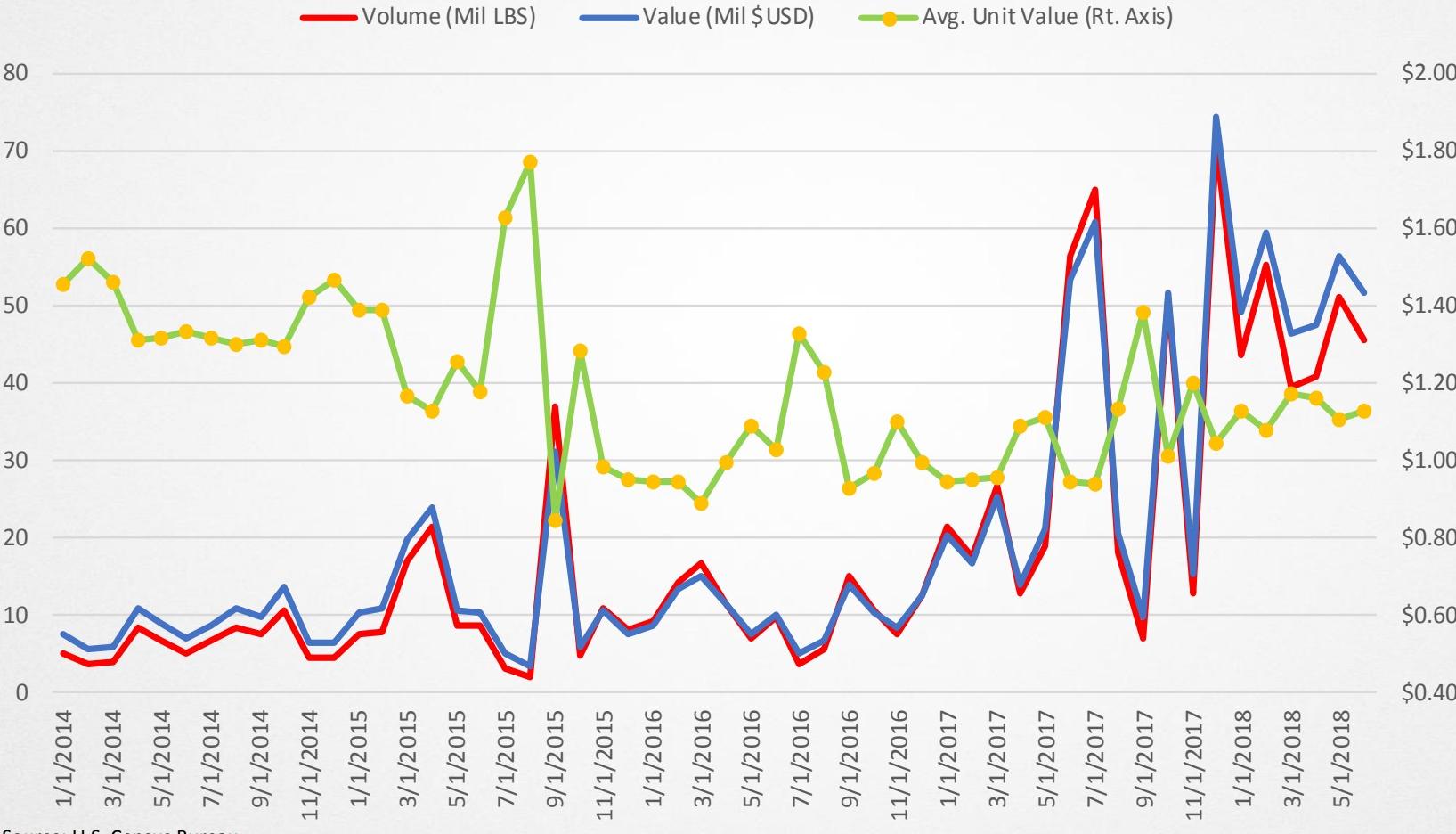
Product	MLbs	% Share
7601	712.3	98.90%
7604	1.4	0.20%
7605	5.7	0.79%
7606	0.5	0.07%
7607	0.2	0.03%
7608	0.1	0.01%
Total	720.3	100.00%



Spotlight: Top 10 Non-Exempt Trading Partners in June

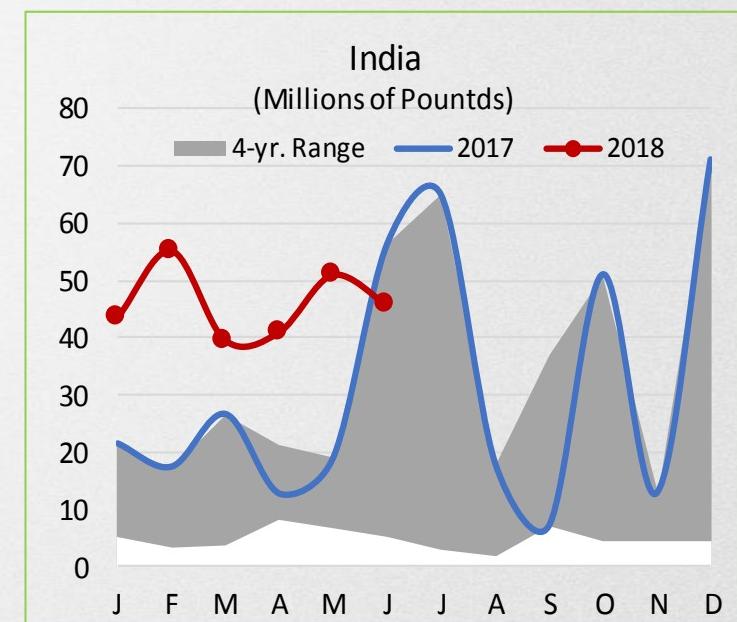
2018 Year-to-Date

#3: India



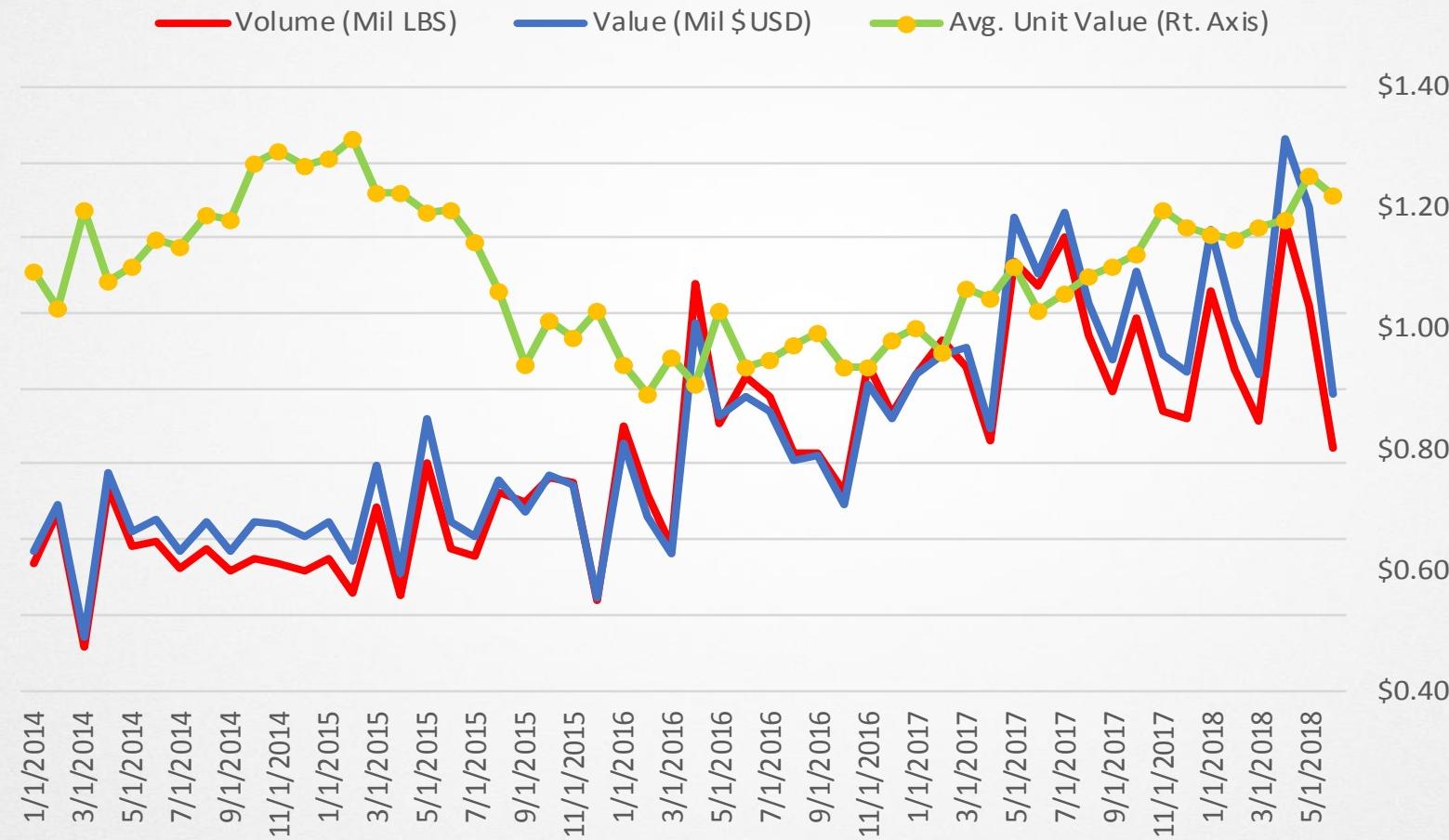
Source: U.S. Census Bureau

Product	MLbs	% Share
7601	223.3	81.00%
7604	5.3	1.92%
7605	0.1	0.02%
7606	43.7	15.85%
7607	0.7	0.24%
7608	0.3	0.11%
7609	1.2	0.45%
7616	1.1	0.41%
Total	275.7	100.00%



Spotlight: Top 10 Non-Exempt Trading Partners in June

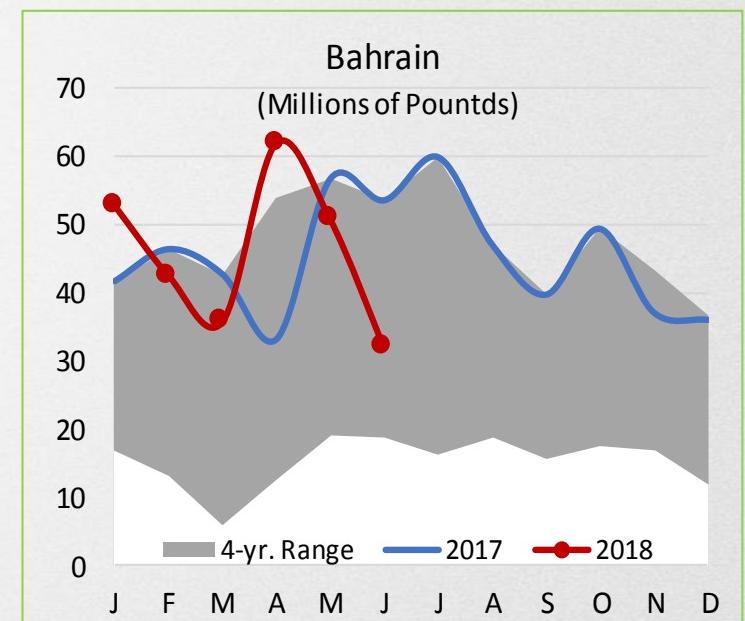
#4: Bahrain



Source: U.S. Census Bureau

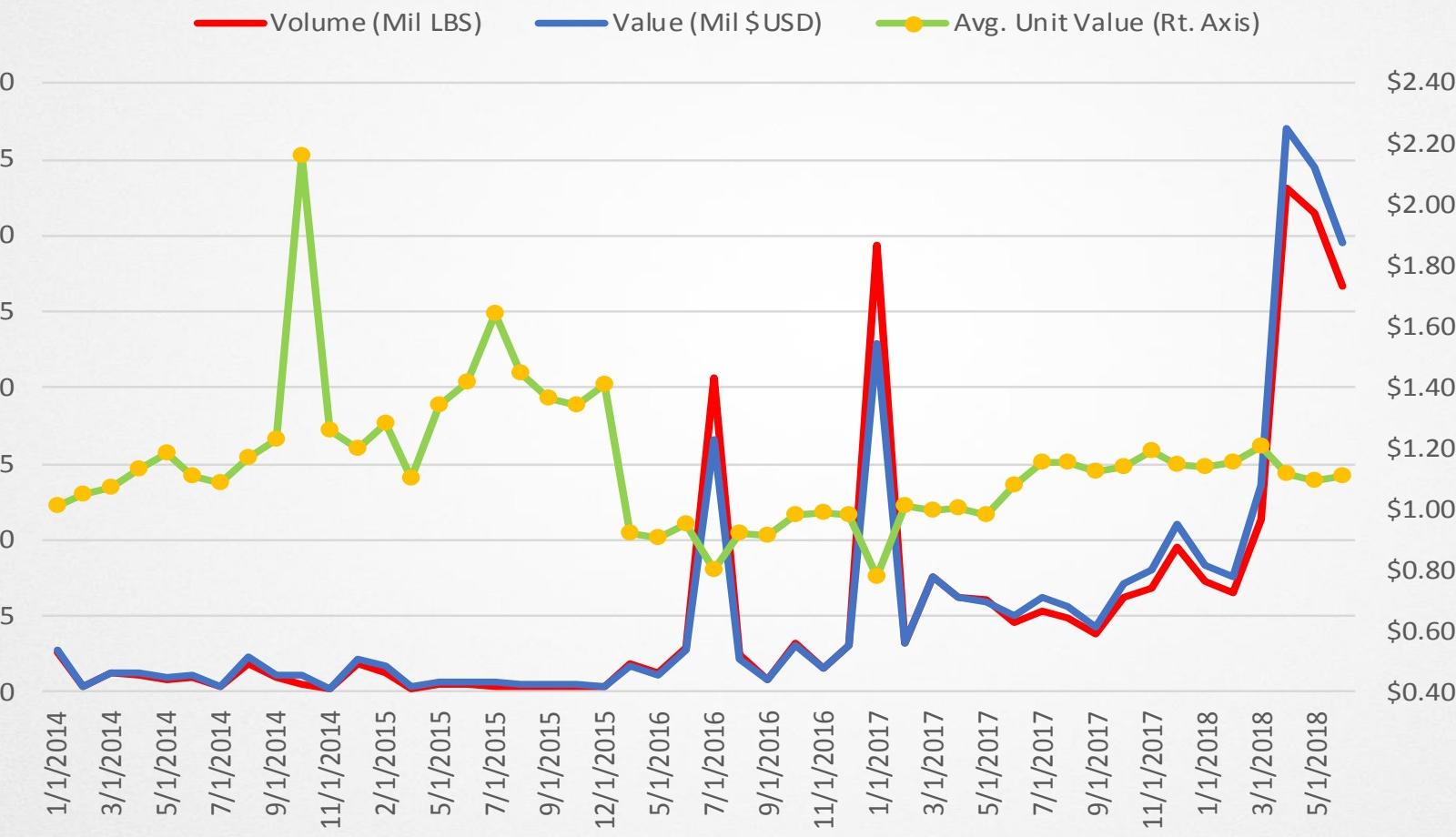
2018 Year-to-Date

Product	MLbs	% Share
7601	148.2	53.63%
7605	57.3	20.73%
7606	70.8	25.64%
Total	276.3	100.00%



Spotlight: Top 10 Non-Exempt Trading Partners in June

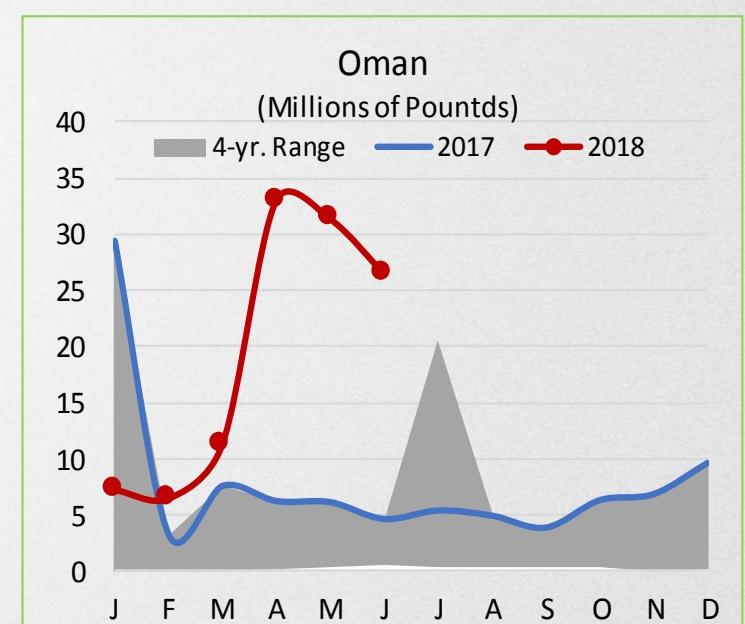
#5: Oman



Source: U.S. Census Bureau

2018 Year-to-Date

Product	MLbs	% Share
7601	55.4	47.61%
7606	57.9	49.78%
7607	3.0	2.60%
Total	116.3	100.00%

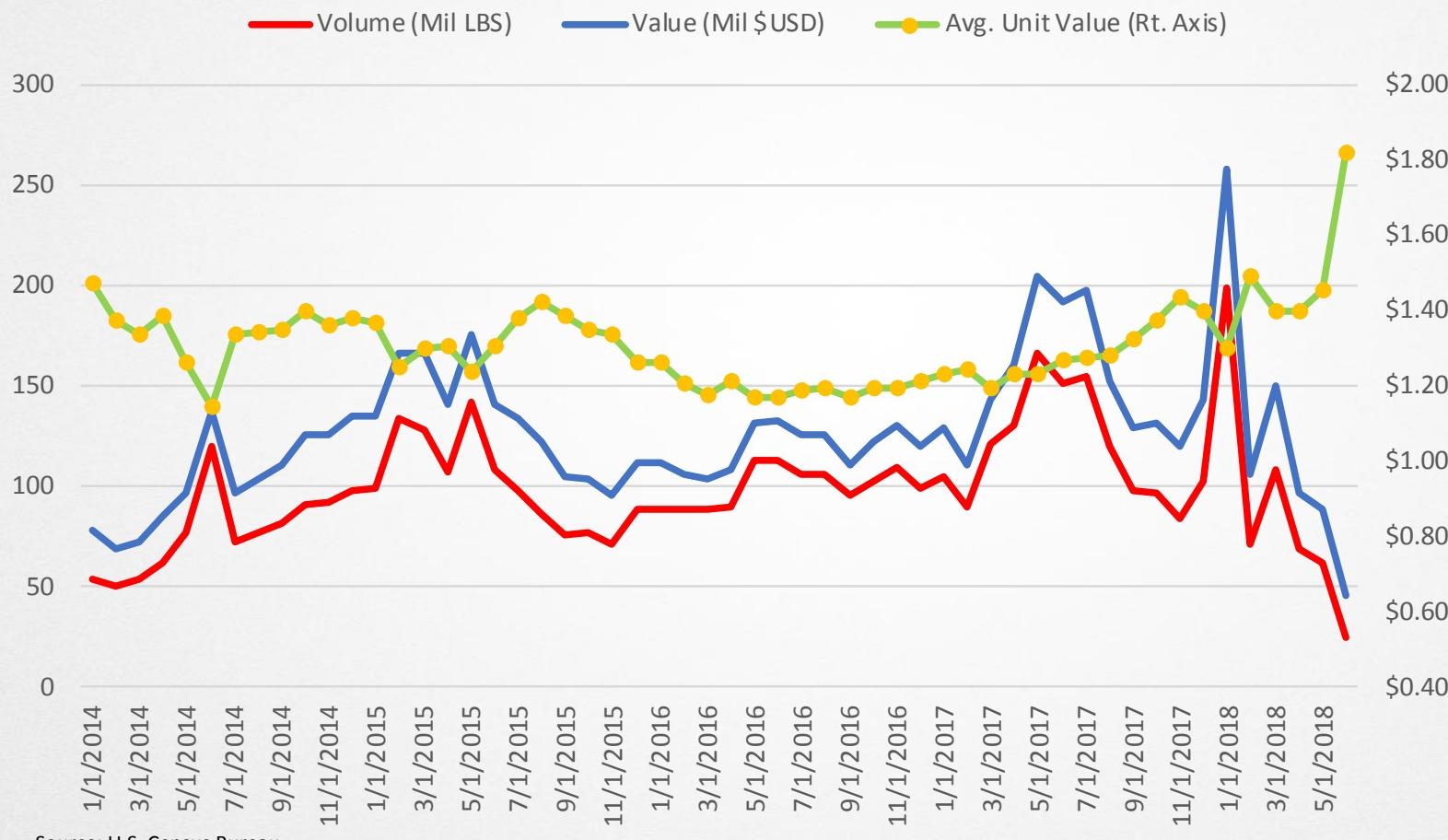


Spotlight: Top 10 Non-Exempt Trading Partners in June

2018 Year-to-Date

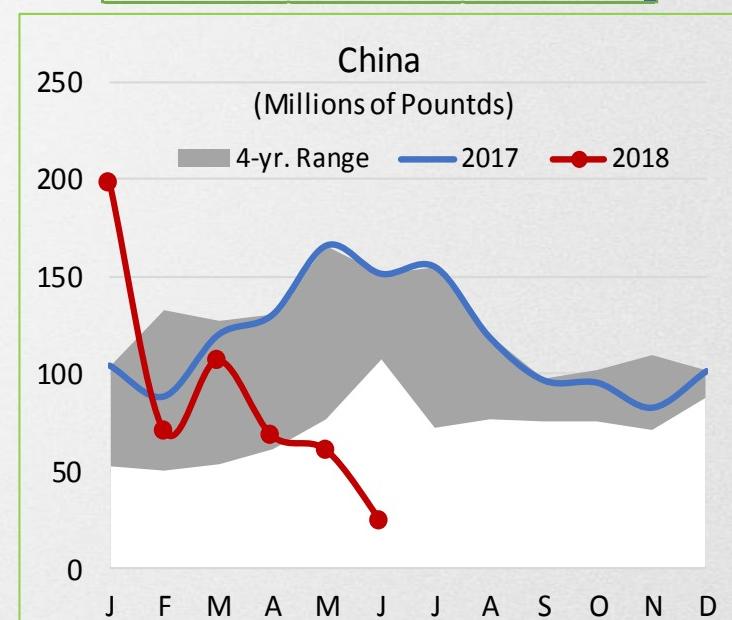
#6: China*

*The antidumping and countervailing duties in place for foil and the preliminary determination of countervailing duties on common alloy sheet (April) have also impacted import volumes from China (7606 & 7607)



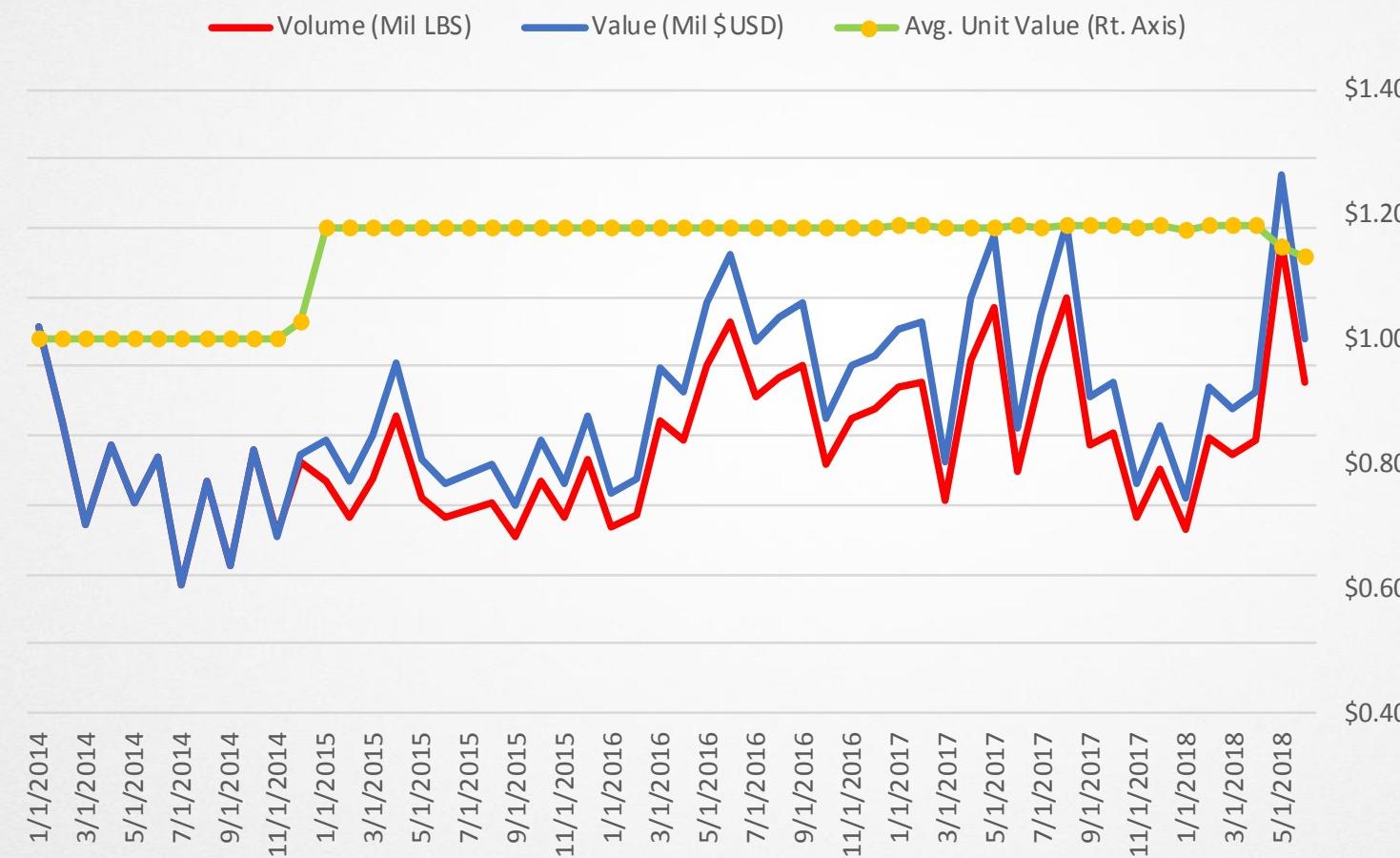
Source: U.S. Census Bureau

Product	MLbs	% Share
7601	6.0	1.12%
7604	3.8	0.71%
7605	4.4	0.83%
7606	433.0	81.47%
7607	69.6	13.09%
7608	0.8	0.15%
7609	3.2	0.61%
7616	10.7	2.02%
Total	531.4	100.00%



Spotlight: Top 10 Non-Exempt Trading Partners in June

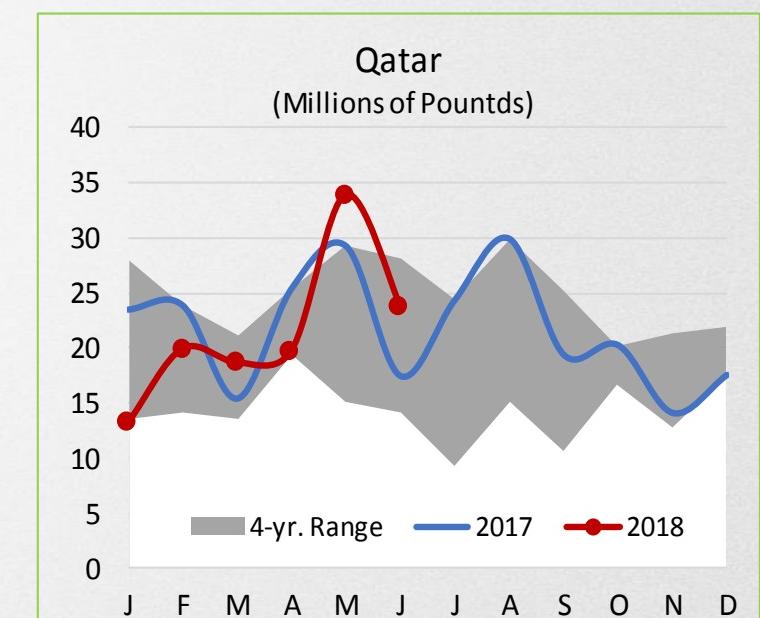
#7: Qatar



Source: U.S. Census Bureau

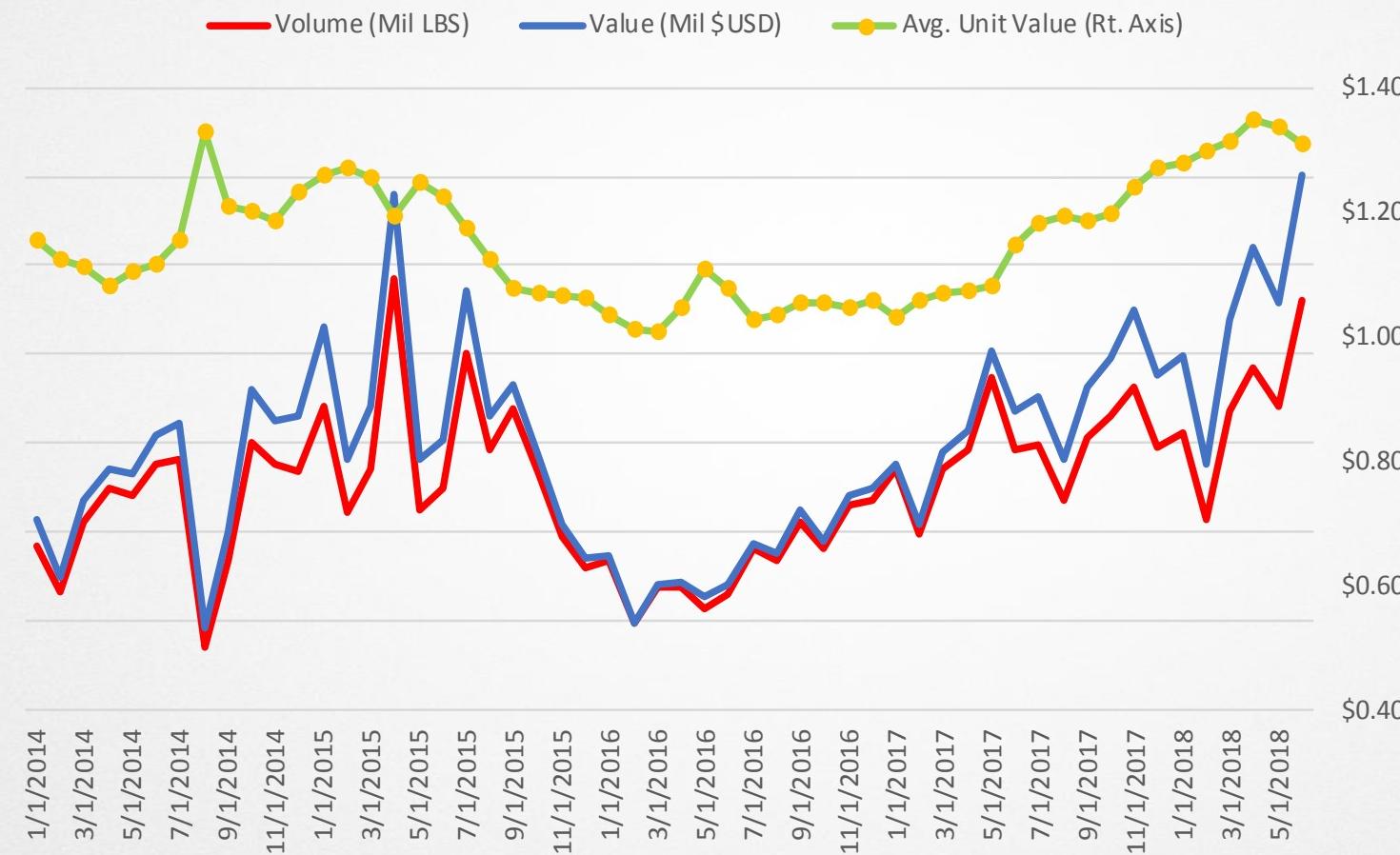
2018 Year-to-Date

Product	MLbs	% Share
7601	129.11	100.00%
7604	0.01	0.00%
Total	129.12	100.00%



Spotlight: Top 10 Non-Exempt Trading Partners in June

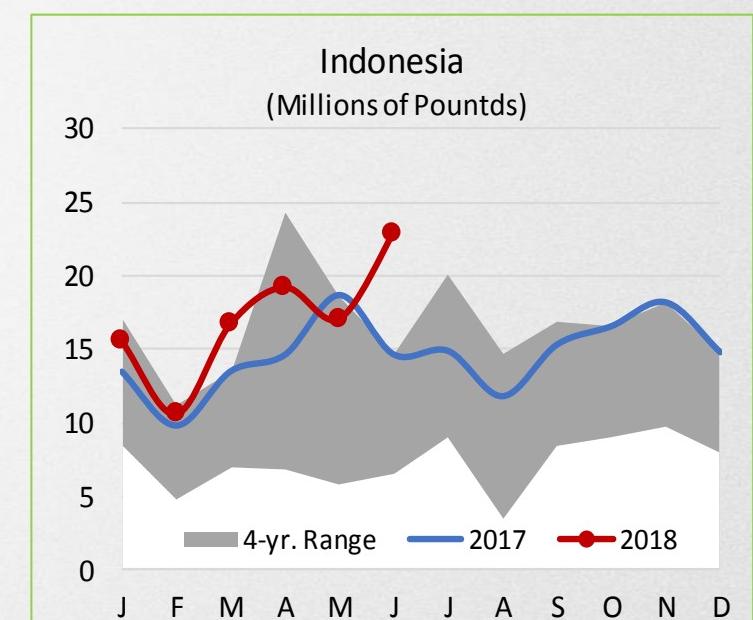
#8: Indonesia



Source: U.S. Census Bureau

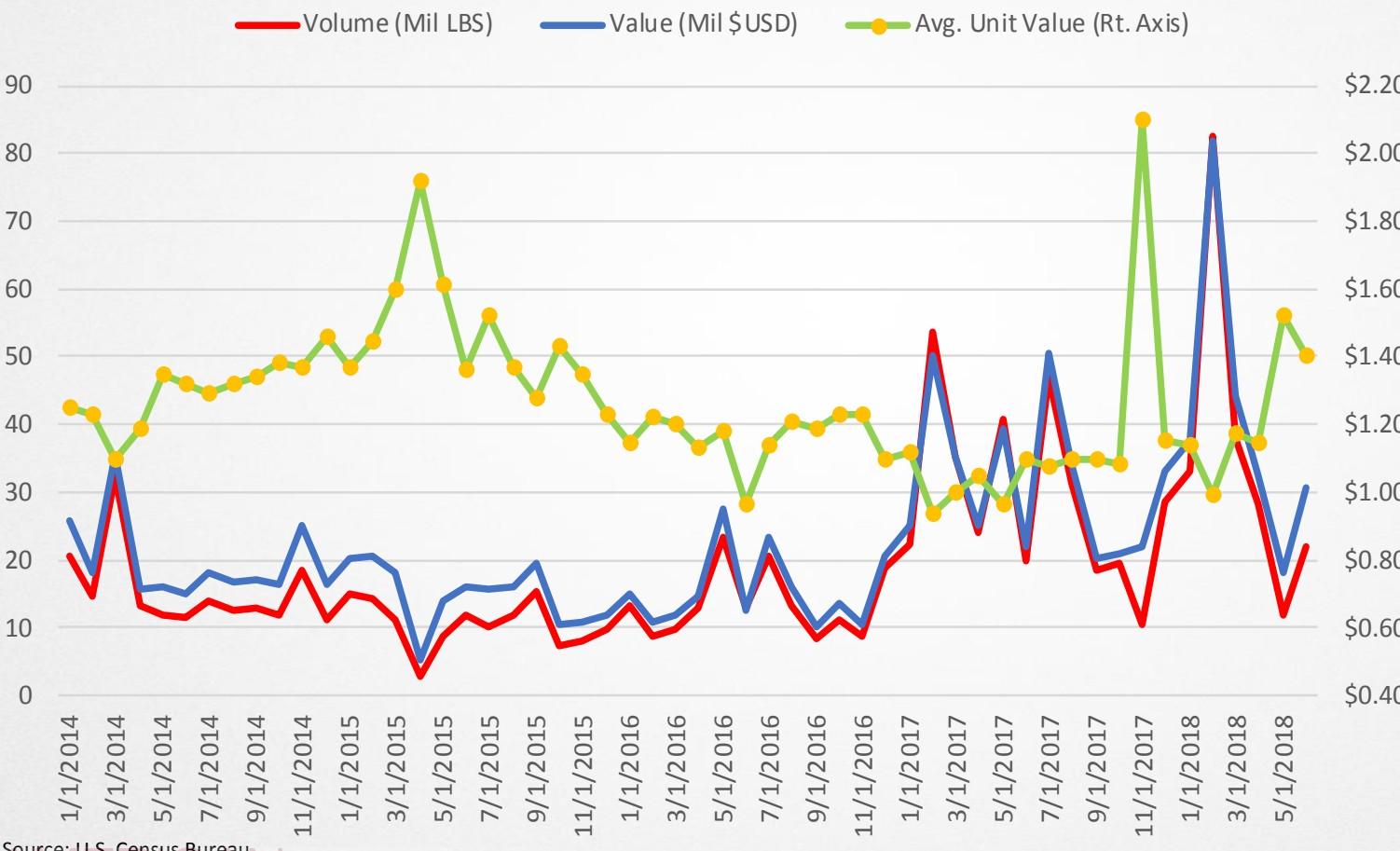
2018 Year-to-Date

Product	MLbs	% Share
7604	20.26	19.80%
7606	76.92	75.16%
7607	4.50	4.40%
7608	0.60	0.59%
7616	0.06	0.06%
Total	102.34	100.00%



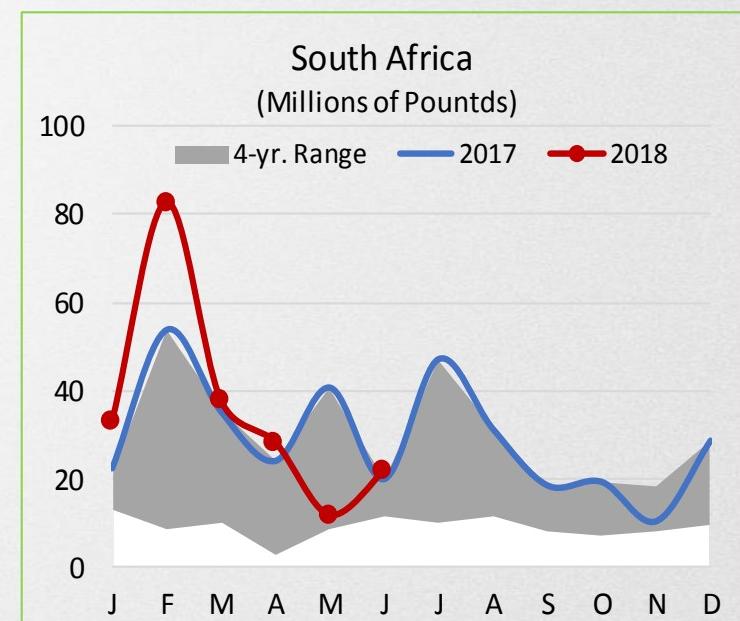
Spotlight: Top 10 Non-Exempt Trading Partners in June

#9: South Africa



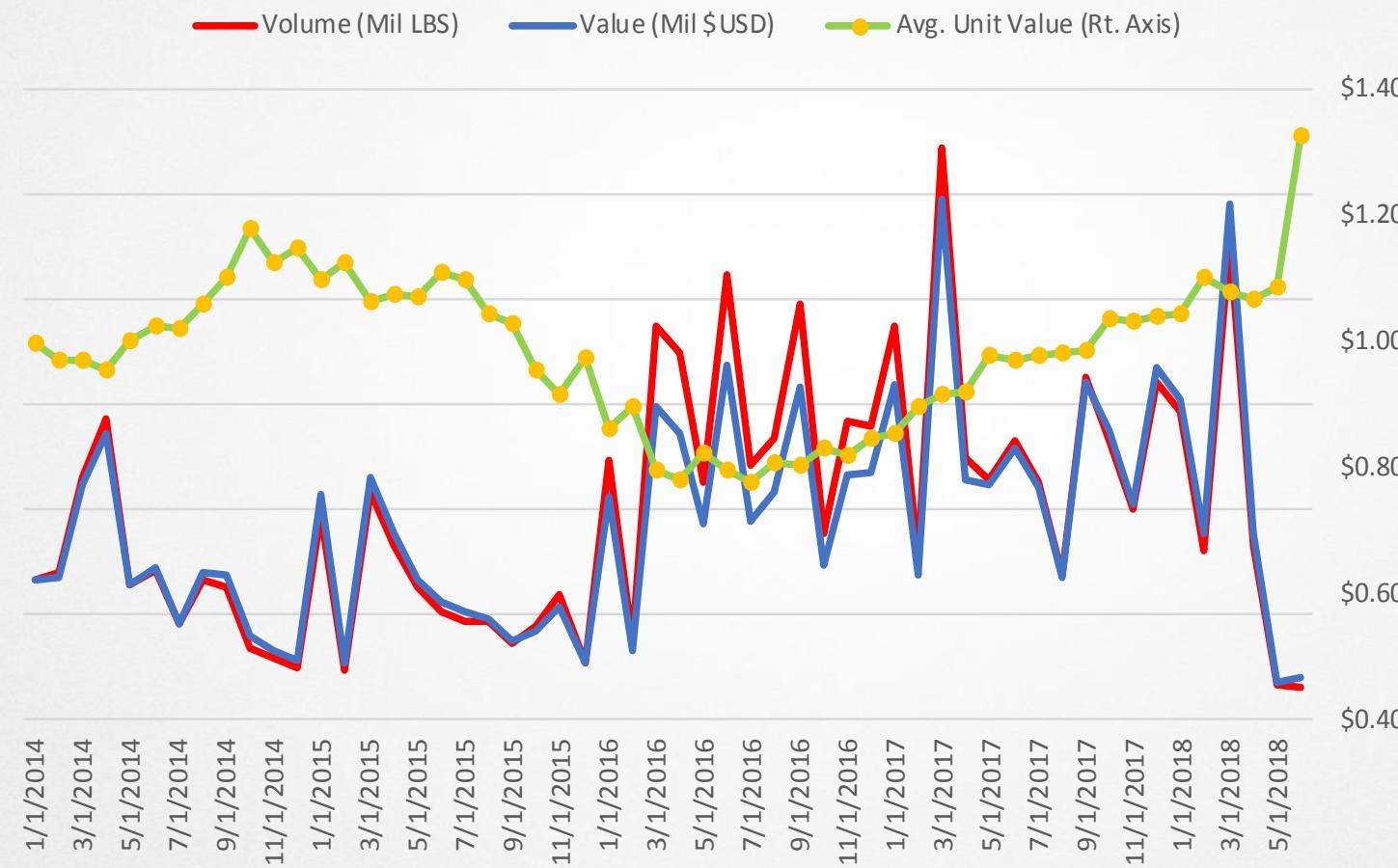
2018 Year-to-Date

Product	MLbs	% Share
7601	153.13	71.05%
7604	0.00	0.00%
7606	61.16	28.38%
7607	1.18	0.55%
7608	0.03	0.01%
Total	215.50	100.00%



Spotlight: Top 10 Non-Exempt Trading Partners in June

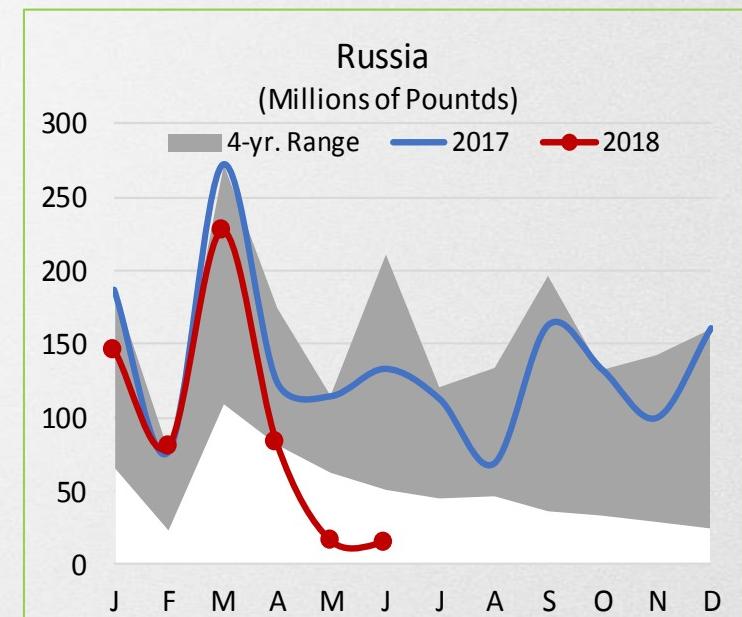
#10: Russia



Source: U.S. Census Bureau

2018 Year-to-Date

Product	MLbs	% Share
7601	520.7	91.80%
7604	7.3	1.29%
7605	9.8	1.72%
7606	15.3	2.70%
7607	13.2	2.32%
7608	0.6	0.10%
7616	0.4	0.06%
Total	567.2	100.00%



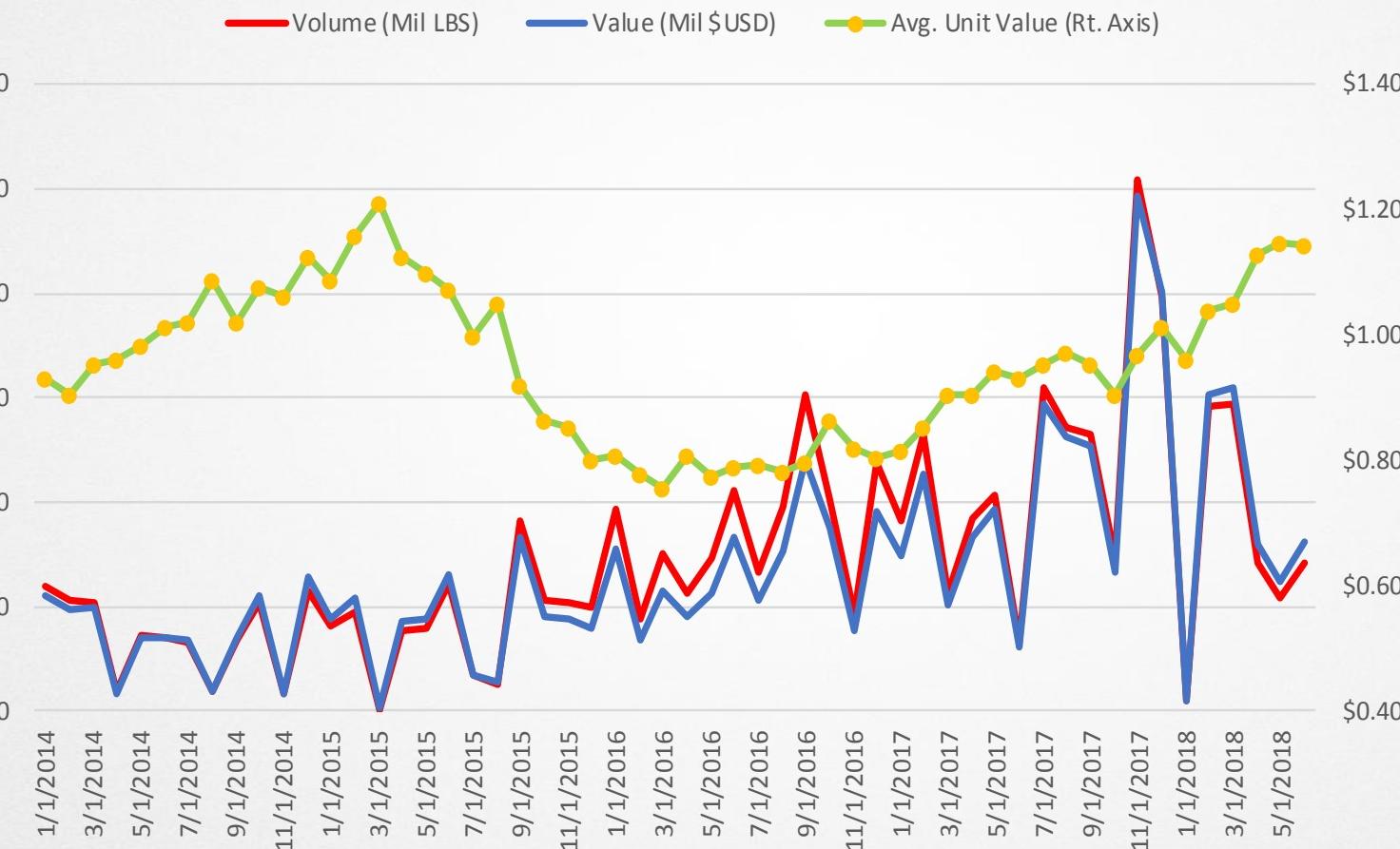
Covered Imports: By Exempt Trading Partner

Import Partner	Jun-18	May-18	M/M %Ch.	Jun-17	Y/Y %Ch.	YTD 2018	YTD 2017	YTD %Ch.
Argentina	28,370,266	21,730,409	30.6%	12,987,825	118.4%	197,580,099	202,857,741	-2.6%
Australia	10,817,299	7,890,739	37.1%	2,733,700	295.7%	73,345,747	98,010,419	-25.2%
Total	39,187,565	29,621,148	32.3%	15,721,525	149.3%	270,925,846	300,868,160	-10.0%

Source: U.S. Census Bureau

Spotlight: Exempt Trading Partners in June

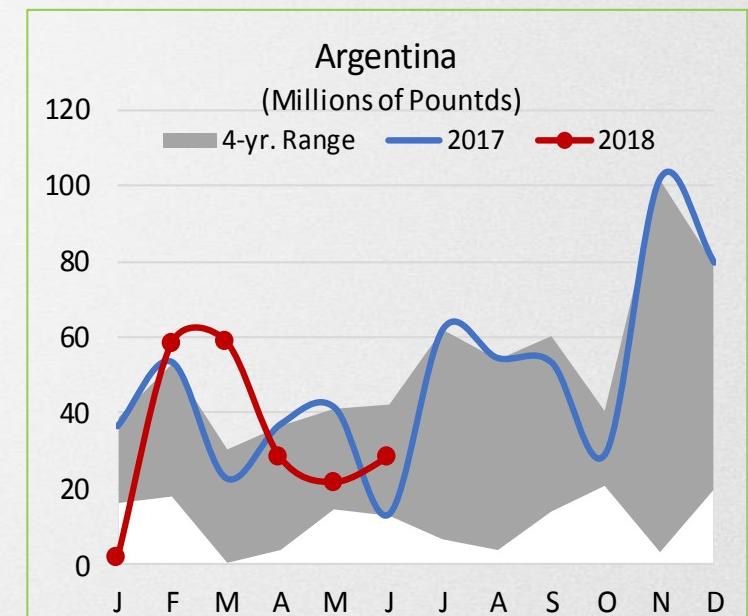
#1: Argentina



Source: U.S. Census Bureau

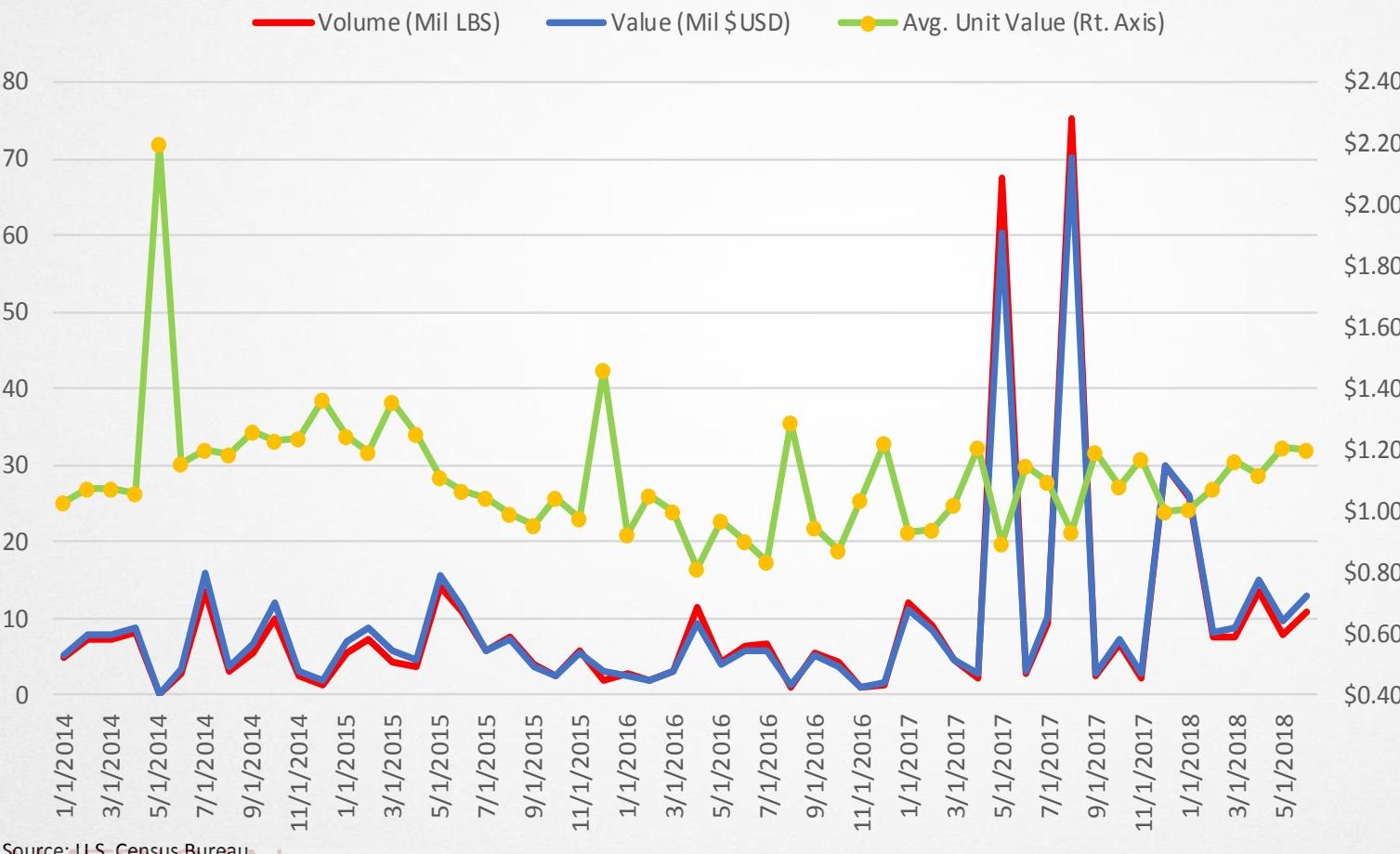
2018 Year-to-Date

Product	MLbs	% Share
7601	190.48	96.41%
7604	0.01	0.00%
7605	7.09	3.59%
7607	0.00	0.00%
Total	197.58	100.00%



Spotlight: Exempt Trading Partners in June

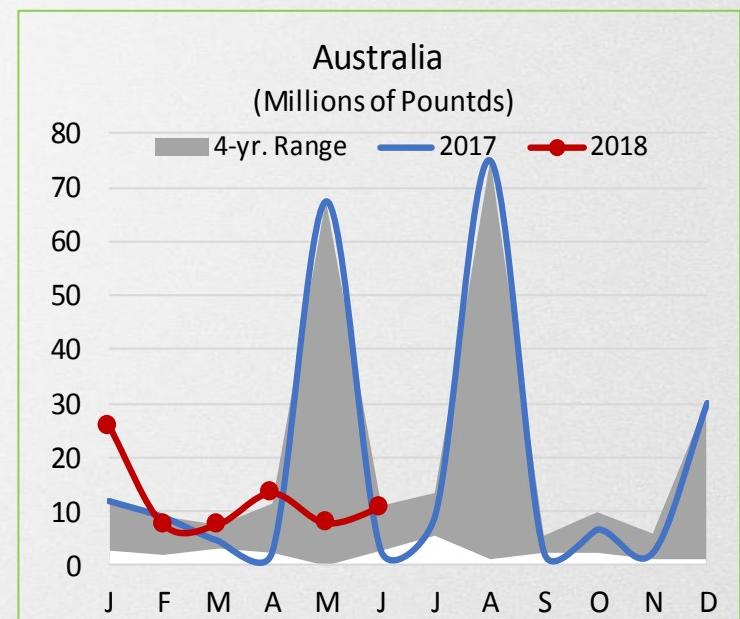
#2: Australia



Source: U.S. Census Bureau

2018 Year-to-Date

Product	MLbs	% Share
7601	72.73	99.16%
7604	0.56	0.77%
7606	0.01	0.01%
7607	0.00	0.01%
7608	0.01	0.01%
7609	0.02	0.03%
7616	0.00	0.01%
Total	73.35	100.00%



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